

THE Hongkong Weekly Press

AND China Overland Trade Report.

VOL. LXVIII.]

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No. 4

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BIRTH.

On July 16th, at Shanghai, to Mr. and Mrs. C. J. HEAD, a daughter.

DEATHS.

On July 16th, at the Shanghai General Hospital, ALEX. B. SHORT, aged 34 years.
On July 14th, at Singapore, MARY ISABEL CARBUTHERS, wife of John A. Martin.

Hongkong Weekly Press.

HONGKONG OFFICE: 10A, DES VŒUX ROAD CL.
LONDON OFFICE: 131, FLEET STREET, E.C.

ARRIVAL OF MAILS.

The English Mail of 29th June and the Parcel Mails which closed in London for despatch by the all sea route on the 17th June and for despatch overland on 24th June arrived per s.s. *Delta* on the 22nd inst.

FAR EASTERN NEWS.

On the 9th July a child was born to Prince Tao (the Emperor's brother). This is the second child and is to be named Pu Kai.

The American battleships "Maine" and "Alabama," sent out in advance of the fleet are expected to reach Manila on the 27th inst.

The property offered for sale by Mr. G. P. Lammert, auctioneer yesterday—shares in certain buildings and lots of land at Kowloon—was withdrawn.

Mr. Thomas C. Kinney, senior partner in the firm of Messrs. Kinney and Lawrence, Manila, died on the 18th inst from heart failure, following peritonitis.

Mr. F. D. Cheshire, Inspector-General of American Consulates, has gone home on a few months leave.

A man named Albert Heraux (alias Wagner, alias Missionen) who had absconded from Shanghai with considerable sums of money has been arrested at Hankow.

M. Klobukowski, the new Governor-General of Indo-China, is expected to leave Paris for the Far East on the 27th inst accompanied by Messrs. Canon and Deloncle.

Mr. Parlett, British Vice Consul at Tientsin, has been appointed Consul at Hakodate, and Mr. Wawn of the British Legation at Tokyo, will go to Tairen as Vice-Consul.

The Council for the State have memorialized the Throne requesting their Majesties for a Decree to put in force the Criminal Code by H.E. Wu Tingfang and Hsun Chia Pui. The request was granted.

The Board of War has wired to the Viceroy of the Liang Hu stating that it should be made known to the officers under their control that it is forbidden them to make soldiers do the work of household servants.

It appears that the circulation of photographs of a white saman whose dead body was found in the harbour last week has resulted in his being identified. Deceased was Herman Gratsler, a fireman employed on the s.s. "Reider."

Mr. T. M. Haskins, Chinese Secretary to the American Legation at Peking, died of supposed cholera at Peitaiho on the 12th inst. He had just been promoted to be Vice-Consul-General at Shanghai and was quite a young man.

Mr. V. A. Caesar Hawkins has recently severed his long connection with the Hongkong and Shanghai Banking Corporation, and has joined the Board of the Imperial Bank of Persia. Mr. Hawkins is at present in Persia on an inspection tour.

The Chinese Merchants in the South Seas (says *Chinese Public Opinion*) are willing to subscribe 15,000,000 Taels towards the construction of a Chinese Navy on condition that Chinese men-of-war are stationed in those seas to protect Chinese interests there.

The Central Government has wired to the Viceroy and Governors of Provinces notifying them that the following classes of people are debarred from starting societies for the discussion of political affairs:—Military, police, priests, professors and students, persons under the age of 20 years, women, ex-convicts, illiterates.

The latest mail brings news of the death of Mr. David McLean, who joined the staff of the Hongkong and Shanghai Banking Corporation on the foundation of the bank in 1865, and became manager of the Shanghai branch and later was appointed manager in London. Mr. McLean died at his home in Aberdeenshire at the age of 76.

A Singapore telegram to the *Daily Press* dated July 21st states: A gang of fifteen Chinese attacked the district surgeon, Dr. J. W. Barraek, and a contractor named McLean, near Gambang resthouse, Kuantan, Pahang, on the 15th inst. Dr. Barraek was killed and Mr. McLean was severely wounded. The murderers escaped, taking with them \$8,000.

The Viceroy at Nanking on instructions from the Waiwupu has wired and ordered the Shanghai T. to pay £14,000 to the Deutsch Asiaische Bank to be sent over to Berlin as an instalment of redemption of the foreign loan through Arnhold, Karberg and Co. due on the 1st July. The Shanghai T. has replied to the Viceroy that he has done so.—*S. sin ipao*.

An important conference was held in Peking a week ago, between His Highness Prince Su the Commandant of Nine Gates, and the Civil Governor of the Capital, to discuss the question of the establishment of local municipal government in Peking as a model for other cities. A copy of the proposed detailed regulations was drafted by the conference and is to be submitted to the Throne for Imperial sanction.

A big fire occurred in Tientsin on the 18th inst. when the Arcade in the French Concession was destroyed. The building belonged to the Tientsin Land Investment Co. Ltd. It was insured and will be rebuilt. The goods of the Arcade Amusement Co. were insured in a German office only a few days before for \$15,000, but it is stated that the salvage will bring in a good sum and the loss will not be a heavy one.

In view of Russian intervention the movements of the expeditionary force sent to suppress the Hungtuzs have been suspended for the time being. His Highness Shih-chang, Viceroy of Manchuria, has drafted special regulations for the operations against the Hungtuzs, and these regulations have been accepted by the Russian authorities. They only await the sanction of the Throne before being put into practice.

The "Shanghai Mercury" has received news from the north from a reliable source that His Excellency Yuan Shi-kai has appointed Mr. T. H. Kingsley, (formerly manager of the Chinese Engineering and Mining Co.) general manager of the Chinese new mines at Ma Chia-kow. Our contemporary understands that these mines are the same that Sir John Jordan is now asking the Chinese to close and which the Chinese Mining and Engineering Co., Ltd. claim, but which the Chinese state they have no right to.

There seems to be a growing demand in China for foreign loans. The Throne has sanctioned the raising of a foreign loan for the purpose of redeeming the Lu Han railway. A Hankow paper states that the Wai-Wu-pu has raised a loan of Tls. 1,000,000 for three years at seven per cent per annum interest from the Hongkong and Shanghai Bank, the sum to be devoted to the needs of the Ministry of Posts and Communications. We see it also stated that the Kiangnan Railway administration desire a foreign loan of three million dollars.

Yesterday was the birthday of the Emperor of China. His Majesty, according to the European calendar, is 34 years of age. The Chinese papers of Hongkong, excepting those who are in opposition to the reigning dynasty, suspend publication for one day in honour of the occasion. Really the 28th day of the sixth moon (July 26th) is the Emperor's birthday, but that date having been pronounced unlucky, because one of his predecessors on the Throne died on that day, the birthday, by Imperial Decree, has always been celebrated on the 23th of the sixth moon.

WARFARE AGAINST THE MOSQUITO.

(Daily Press July 20th)

To appreciate the extent and importance of the work done by the Medical Department of the Government of Hongkong one has only to take up the current number of the *Government Gazette*. Here we have a collection of reports and statistics occupying close on one hundred pages setting forth in considerable detail the nature of the work done during the year 1907. In the General Report by the Principal Civil Medical Officer, and the Medical Officer of Health dealing with the sanitary condition of the Colony the most striking feature is, perhaps, the proof given of the success of the Government's anti-malarial measures. These were inaugurated in 1899, but not much was done during the first year or two. A table showing the admissions for malaria to the two largest hospitals of the Colony—the Government Civil Hospital and the Tung Wah Hospital—reveals the gratifying fact that the average admissions as well as the average deaths have been substantially reduced as a result of the war against the mosquito. Taking the returns of the last ten years it is seen that for the first five the average admissions into these two hospitals were 982 and the average deaths 122. During the last five years the average has fallen to 490 admissions and 74 deaths, notwithstanding the fact that during the last two years many cases of malaria which have occurred among the men on the railway works have been brought to these hospitals for treatment. The visible increase during the last two years in the admissions to the two principal hospitals has been due to that one fact. On an average over 2,400 men were employed on the railway works last year, exclusive of European contractors and their employees, and the medical officer to the railway reports that 1,168 men were treated for malaria at the North and South Face Camps. Only 89 cases, however, were sent to hospital. Parenthetically, it may be mentioned that there is in the medical reports no indication of any doubt as to the cause of the extensive prevalence of malaria at the railway works. The layman is prone to think that the breaking of new soil gives off a malarial miasma, but the medical officers are apparently satisfied that the mosquito is entirely responsible. It may be that the breaking of the soil disturbs the peace of the mosquito who takes his revenge on the disturbers. At any rate nullah-training, in order to get rid of mosquito breeding pools, is the anti-malarial measure which the medical officers recognise as of first importance. It has not been adopted, however, at the railway works because of the great expense it would entail, but the employment of kerosine oil as a preventive of mosquito-breeding in the pools, and the administration of quinine to the men as a daily routine have combined to effect a steady decline in the number of cases. There is no room for doubt that the nullah-training which has been done on the slopes behind the city of Victoria, and the other means of warfare against the mosquito which the Government has employed during the past eight or nine years, prove their value in the reduced mortality from malaria. This reduction is very marked among the European troops. They have in the past suffered severely from malaria, but last year there were fewer cases among them than in any previous year. That the deaths from malaria among the Chinese in the city were more numerous both in 1907 and 1906 than they were in 1904 and 1905 can con-

fidently be ascribed to the importations from the railway works at Kowloon, but the statistics afford very clear proof of the success of the anti-malarial measures adopted on the island of Hongkong and justify further expenditure on similar work. We shall probably always have malaria with us because, as the Principal Medical Officer points out, our Chinese population is constantly receiving additions from the mainland of China, and the resident Chinese pay somewhat frequent visits to their native land. It is the Colony's misfortune to have malarial cases introduced in this way, but it is at least the Colony's business to do all that sanitary and medical science can suggest to remove the possibility of malarial infection from local conditions. The Medical Department can sincerely be congratulated on what has so far been accomplished in this direction.

THE GOVERNMENT OF CHINA.

(Daily Press, 21st July.)

It has often been pointed out that although China is in theory under imperial authority the actual state of the administration bears a closer analogy to that of a Confederation than to an Empire as generally understood. In theory the main factor in the government of the country is absolute power as exercised from Peking. In reality, as is well known, this authority is largely qualified, and in many matters the Provincial Viceroys are able to act with what is practically complete independence. This has often been the cause of serious friction; but, upon the whole, it is astonishing with what adroitness difficulties of this kind have been overcome and government, albeit in a somewhat clumsy form, has been sustained. At the same time the trouble has by no means been overlooked by the central authorities; and indeed the complaint has often been made that they are too ready to shield themselves from responsibilities, international and other, on the plea that they are unable to interfere with the rights of the Provincial Magnates. This actual state of affairs is what will in reality have to be considered in any reform that may be initiated with a view to improving the internal government of the country, and more especially in connection with the problem, of which we hear so much, of introducing some form of representative government. It will certainly be no easy task to discover the exact point at which a compromise can be made between very antagonistic principles. If a popular element be introduced into the administration, it must take the shape of local assemblies acting under or rather in co-operation with the Provincial Authorities. But on the other hand, if this weight is to be added to the power of the provinces, a similar force must be brought into play to support imperial authority in dealing with all matters that affect the welfare of the Empire as a whole. If anything, therefore, is done in the direction of popular representation, it would seem that the only means of obtaining satisfactory results would be to institute simultaneously, an Imperial Parliament to deal with the large matters affecting the whole Empire, and local assemblies to manage such matters as may fairly be considered to be merely Provincial character—something, in fact after the style of American institutions, with, however, a safeguard against the difficulty which has of late become apparent in that country from the complete independence of individual States in matters which may have a national bearing, as for example the question of Japanese immigra-

tion which of late caused so much trouble in the State of San Francisco. It is possible that some valuable hints in this direction might be obtained by the Chinese through a study of German institutions, that country having succeeded very thoroughly in solving a problem which is in many respects analogous to that which is before China in the present day. Although it might not appear so at first sight, there is a noticeable analogy between what is the actual state of the Chinese empire in regard to the Provinces, and that which existed in Germany, when it was composed of various Electorates, Grand Duchies and independent Kingdoms, before they were combined under the Empire in 1870. It is true that the Viceroys are removable by the Imperial Government, while in Germany the autonomy of the various states composing the Empire has been preserved. In essentials, however, the position of affairs in either country is to some extent the same. Practically the Chinese provinces under their respective Viceroys are as independent of the central authority as if they were separate Kingdoms united under an Empire; and the methods which have proved successful in such a case in securing a united and strong nation with an adequate amount of popular representation would probably prove adapted to the real state of affairs in China which differs essentially from what it is represented to be theoretically. The introduction of representative institutions into China in the form in which we are familiar with them in Great Britain and her Colonies would be too far reaching a measure to afford ground for any hope of ultimate success, or even of its being seriously considered by Chinese statesmen, who know what is the actual state of matters with which they have to deal; but it is not too much to hope that some step in the direction indicated might be tried and might become the stepping stone to further progress in the direction of representative government. There are no doubt many strong grounds for objection to multiplied Legislative bodies; and it would be more satisfactory if the way could be clearly seen to supplying one Imperial Parliament for China, where the affairs of the whole nation would be discussed and settled, as is the case in Japan. But it is impossible to ignore that there are serious difficulties in this course, and that if this were the only mode of applying the system of representative government that can be taken into consideration, we might expect to wait indefinitely for its accomplishment. The great aim should be to make the advance in a form that shall not be too great a change from the actual state of affairs, and, as there can be no question that the existing administration involves the exercise by the Provincial authorities of great, indeed in many cases really independent, powers, it would obviously be desirable to endeavour, if possible, to preserve that species of authority, but in such a shape that on the one hand it would be in conformity with the wishes of the people in the respective Provinces so far as local matters were concerned, and on the other subject to the control of the central Government with respect to more important matters and as to all questions of imperial and national significance. Much might be learned in respect to the former by reference to the United States Constitution; and, with regard to the latter, from a study of the German Empire. In a country so used to the theory at least of central authority as China, the latter would probably afford a solution of many of the points which would arise for adjustment.

OPIUM-PRECEPT AND PRACTICE.

(Daily Press, 22nd July.)

As each fascicle of the Customs Reports for 1907 is published the curiosity of all who are interested in the attempt made by the Chinese Government to stop the smoking of opium will naturally lead them to look for the remarks the various Commissioners have to make regarding the effect of the Opium Edict on the statistical returns of the drug at the various ports. We have before us Vol. II, which deals with the Yangtze ports, and we cannot say that the information this batch of reports contains will bring much joy or gladness to the heart of the reformer. Taking the port of Ichang as coming first in the series, there is here little or no demand for the foreign drug only 1.20 piculs being imported in 1907, and 2.40 in 1906, and the whole of this was re-exported. But when we turn to the native opium statistics we see that, notwithstanding attempts made to restrict the use made of native opium, the returns, in which the drug appears as an export, are just doubled, the increase amounting to over 4,000 piculs. Coming next to the port of Shasi, the Commissioner reports that opium, always a small commodity in the Shasi returns, shows an increase for the year of 11 piculs more than the highest importation of the previous five years, namely 78 piculs against 67 piculs in 1904. The Commissioners at Yochow and Hankow have "no remarks" to make on the subject. At Kiukiang 1,836 piculs of Malwa valued at Hk. Tls. 1,121,000 were imported, as against 1,435 piculs valued at Tls. 925,000 in 1906. Of Patna, 37 piculs, valued at Tls. 18,000 were imported, an increase of 13 piculs and Tls. 4,000 over the figures for 1906. It is mentioned that the price of Malwa decreased 5 per cent per picul and Patna about 17 per cent, but the Commissioner does not suggest that there is any relationship between the decline in price and the increase in the import. Of native opium he remarks that formerly little or none passed through the Customs, but in the latter half of 1906 when the differential duty in favour of junk borne opium was abolished, 495 piculs of Szechuen opium, valued at Tls. 192,000 arrived by steamer from Ichang. In 1907 the quantities similarly imported largely increased, the importation being 5,295 piculs valued at Tls. 1,241,000. About 1,060 piculs of native opium, value Tls. 465,000, were sent away, chiefly to Wuhu and Shanghai. At Wuhu the import of foreign opium was 2,427 piculs, being an increase of fifty per cent. on the 1906 figures, and the largest importation since 1900. But the Acting Commissioner of Customs adds that this increase does not necessarily imply that a larger quantity of opium was actually consumed; "it seems to indicate that, owing to cheaper prices, the native drug was to some extent replaced by Indian opium." Unfortunately the statistical tables at the end of the report do not enable one to make a comparison of the import of native opium with previous years, and we may merely note that the quantity reported by the native Opium Office as passing through their hands last Chinese year was 1,410 piculs of which 1,121 were imported through the Maritime Customs. Coming now to Nanking, we find the statistics showing an increase of 171 piculs in the import of Malwa, a decrease of 151 piculs in Patna, and an increase in Szechuen and Yunnan opium from 24 piculs in 1906 to 125 piculs in 1907. Finally we come to Chingkiang where the import of Malwa rose from 2,452 piculs in 1906 to 3,264 piculs in 1907, but the crop of

Native opium is stated to have been about 80 per cent of that grown in 1906.

The explanation of the increase in the opium imports in several of these places is assumed to be that the more affluent consumers were laying in stocks in anticipation of the establishment of a Government monopoly which would lead to an enhancement of the price. That is the explanation given at Chingkiang and at Nanking also. It was rumoured that a Government monopoly office was to be established at Nanking which was to provide the drug for a large part of the province. When it became known that the plan could not be carried out, a consignment of 141 chests of Malwa opium was not landed at Nanking but returned to Shanghai. At Chingkiang the rumour had the effect of causing wholesale dealers to part with their stocks at reduced prices, and they thus missed the "handsome profits" that were to be made later when the rumour proved to be premature. But in spite of the unpromising character of the statistics there are not wanting evidences that the movement against opium smoking in many districts is a popular one. The Commissioner at Nanking says he has been told that the number of old smokers has lessened considerably. "Moreover, the younger generation is almost free from the habit, and the consumption of opium will nearly or altogether cease during the next generation in this part of China." The Commissioner at Ichang, who regards the measures taken to suppress opium smoking as too abrupt, and thinks a better course would have been to annually increase the duty and likin on opium until people could not afford to indulge in the pipe, observes, however, that not only are the officials strongly against the drug, but the people generally appear to have risen up against its use and to have lent their support to stop the evil. He fears however, that the people may take up with a worse evil such as "bad gin," or "bad cigarettes." According to the Commissioner, "many of the cigarettes now sold in such large quantities may be safely said to be as poisonous, if not more so, than opium itself." But that is another story. Our purpose has been simply to point out that coincidentally with all the talk about the suppression of opium smoking, the returns for last year, at least, seem to show a rather substantial increase in the import of both native and foreign opium at the Customs stations in the Yangtze region.

THE CABINET CRISIS IN JAPAN.

(Daily Press, July 23rd.)

BARON KOMURA, the Japanese Ambassador to London, is telegraphically reported to have stated at a luncheon that the change of Government in Japan does not mean a break in the continuity of Japan's policy and that Japan will continue to devote her energies to the improvement of her internal resources. In the light of the information contained in the Japan papers these two statements are rather difficult to reconcile. What is Japan's policy? As the business men of the country view it, the policy of the late Government has not tended to the improvement of the country's internal resources, but has definitely checked their healthy development. The United Chambers of Commerce in Japan have recently endorsed a report prepared by a Special Committee which sets out with perspicuity and frankness the grievances the business men of the country have against the

Government. They condemn the Government for having embarked on a financial programme of inordinate dimensions, and for planning an ill-considered scheme for excessive armaments, and they urge the imperative necessity for an amendment of this armament scheme and the exercise of the strictest economy with a view to the adjustment of the State's outgoings to a proper and fixed sum of income. In this indictment we are reminded that after the war the nation, having been disappointed in the expectations of valuable compensation, fell into a state of despondency, and economic circles lost their activity until the Government announced its intention of carrying out *post-bellum* enterprises "in conformity with a positive policy." The Government, utilising the fever of enterprise that then arose among the people, and taking advantage of the momentum of a victorious war, framed a largely extended programme of finance, converted into ordinary taxes the extraordinary special imposts levied on account of the war, and in addition to the State monopolies of tobacco, salt and camphor, carried out "the precipitate measure of railway nationalisation," thus largely extending the sphere of State enterprises and doing everything in its power to increase the revenue. "In all these things" the Report says "is to be found the reason for the unfortunate times that have now overtaken economic circles, from the stock market downwards." When the Government saw that in spite of these measures it could not possibly obtain all the funds it needed, the Report complains that they did not reduce their programme, but on the contrary "the officials persisted in carrying out their policy of undue armaments" and, in order to provide for the anticipated expenditure, adhered to the device of public loans, which finally ended in failure and impaired the country's credit in foreign markets. Then the Government proceeded to increase the taxes, causing considerable resentment among the people. This, together with the news of the failure of attempts to obtain further money abroad, produced a sudden change in business circles; shares fell sharply, the banks adopted a conservative attitude, finance drifted into a critical condition, and the general tendency, to say nothing of the question of fluctuations in the share market, was in the direction of a panicky feeling. The Report proceeds:—

In spite of those circumstances the Government, experiencing difficulty in maintaining its finances, issued treasury bills in excess, and thus contributed to the depreciation of negotiable securities. Then at the close of 1907, it suddenly raised the price of tobacco, and persisting in its policy, compiled a grossly unsuitable budget for the fiscal year 1908-9, which included a scheme of new taxes to cover the deficiency of income. The passing of this measure deepened the distress in business circles, and thereafter, at the close of March, in opposition to its pledges to the nation and to the latter's hopes, the Government adopted a wrong system for repaying the first War Loan, having recourse to competitive discount, and thus making plain the fact that it desired in every possible way to avoid paying out ready money. The consequence was that a greatly augmented evil effect was produced upon the market for securities, and finally the existing situation was reached.

BARON KOMURA is supported apparently by Prince Ito in his statement that the change of Government which has taken place does not mean a break in the continuity of the Japanese policy. If that is so the reasons for the change are not very obvious. The ostensible reason is the ill-health of Marquis SAIONJI. Public opinion in Japan, however, regards the change as marking

an important crisis in Japanese financial affairs, and it is obvious that unless some material change in the financial policy of the country is shortly announced,—unless in short the indictment of the Chambers of Commerce can be met by positive proof that Japan is devoting her energies to the improvement of her internal resources, rather than on sinister military developments, the panicky feeling which is growing in the country itself is bound to be increasingly reflected in the money markets abroad. We can hardly doubt that the gravity of the situation is fully appreciated by the new Ministry, and that even though it may not venture upon a direct reversal of the policy which has evoked so much resentment, some scheme of readjustment may be possible which will serve to restore and strengthen public confidence.

HONGKONG LEGISLATIVE COUNCIL.

A meeting of the Hongkong Legislative Council was held yesterday in the Council Chamber.

PRESENT:—

HIS EXCELLENCY THE GOVERNOR, SIR FREDERICK JOHN DEALTRY LUGARD, K.C.M.G., C.B., D.S.O.
Hon. Mr. F. H. MAY, M.G., (Colonial Secretary).
Hon. Mr. L. A. M. JOHNSON (Colonial Treasurer).
Hon. Mr. E. A. IRVING (Registrar-General).
Hon. Commander BASIL R. H. TAYLOR, R.N., (Harbour Master).
Hon. Sir H. NRY S. BERKELEY, K.C.
Hon. Dr. HO KAI, M.B., C.M., C.M.G.
Hon. Mr. H. E. POLLOCK, K.C.
Hon. Mr. WEI YUK, C.M.G.
Hon. Mr. MURRAY STEWART.
Mr. C. CLEMENTI (Clerk of Councils).

MINUTES.

The minutes of the previous meeting were read, and confirmed.

FINANCIAL MINUTES.

The COLONIAL SECRETARY, by command of His Excellency the Governor, laid on the table Financial Minutes (Nos. 33 to 40) and moved that they be referred to the Finance Committee.

The COLONIAL TREASURER seconded.

Hon. Mr. POLLOCK—Your Excellency, with regard to the motion which has just been made, I would draw your Excellency's attention to the fact that notice was sent out to us a few days ago referring to Financial minutes 33 to 35 only. Now, Sir, on coming up to this Council this afternoon we find Financial Minute No. 36 struck out, and Financial Minute No. 40 substituted; and we find many extra Financial minutes, one minute involving a very large amount indeed, namely \$186,500 for the Mongkoktsui breakwater. I don't think, Sir, that a vote of that magnitude should be suddenly sprung upon the Council at the last moment, a vote which is not included in any way in the notices which were sent out. It is not included in the Financial minutes circulated to members with notices of the meeting, and I don't think, Sir, we ought to be asked to pass a vote on that minute this afternoon.

The COLONIAL SECRETARY—Sir, the hon. member seems to be under a misapprehension. It was not intended to ask the Council, Sir, to vote the sum under that Financial Minute this afternoon. It was only proposed to refer to the Finance Committee, where I shall have much pleasure in giving the hon. member and other hon. members every information on the subject. It is to be regretted, Sir, that the minute was not forwarded with the orders of the day. The object in having it put forward, Sir, was that the Council might have the earliest possible information of the liability the Government have incurred, and that a note for the funds might be taken as soon as possible.

HIS EXCELLENCY—The hon. member will I, dare say, be satisfied with the explanation which

my hon. friend, the Colonial Secretary, has made. This is always a pro forma vote and we were especially anxious to get this circulated in time, in order to give the committee the fullest possible opportunity of considering this vote, more especially as the number of sittings of the Council is rapidly drawing to a close this session. Therefore we had it laid on the table to-day in order to give the Council a longer opportunity of considering it. Any objections, or any requests for information which any hon. member will desire, may be made in committee.

The motion was agreed to.

THE FLOOD DONATION.

HIS EXCELLENCY—Gentlemen, a few days ago this Council voted a sum of \$30,000 for the relief of distress in South China. That sum was duly forwarded through the Consul-General to the Governor-General of the Two Kwong Provinces, and I have just received his acknowledgment, that is to say, the acknowledgment of the Consul-General, to the despatch which was sent. I will read what he says:—"With reference to my despatch No. 104 of the 15th instant I have now the honour to enclose copy of a despatch which I have received from the Viceroy in which His Excellency requests me to convey to Your Excellency his deep sense of gratitude for the munificent donation voted by the Hongkong Legislative Council at Your Excellency's instance, from the revenue of the Colony as a contribution towards the relief of the sufferers from the recent disastrous floods in Kwangtung and Kwangsi. The cheque has, His Excellency adds, been handed to the Prefect of Canton for transmission to the charitable Guilds to whom the distribution of organized relief has been entrusted.—I have the honour to be your obedient servant, HARRY H. FOX, Acting Consul-General."

This enclosure is in Chinese and I am not competent to read it, nor do I think the majority of members would be interested, if I was. Members will see that among the papers laid on the table to-day is correspondence relating to the West River floods.

FINANCE.

The COLONIAL SECRETARY, by command of His Excellency the Governor, laid on the table the report of the Finance Committee (No. 12), and moved its adoption.

The COLONIAL TREASURER seconded, and the motion was agreed to.

PAPERS.

The COLONIAL SECRETARY, by command of His Excellency the Governor, laid on the table the following papers:—Correspondence relating to the West River Floods; Report of the Inspector of Schools for the year 1907; Report on the health and sanitary condition of the Colony of Hongkong for the year 1907.

WIDOWS' AND ORPHANS' PENSION FUND.

Hon. Mr. POLLOCK, pursuant to notice, asked:—With reference to the statement in paragraph 5 of the Despatch of the Officer Administering the Government to the Secretary of State, dated the 24th June, 1907, to the effect that "great majority of the contributors, and all the directors, except the Chairman, were opposed to the transfer of the Fund", will the Government state whether any, and, if so, how many, of the contributors, who were then opposed to the transfer of the fund, have given notice to the Government of any alteration of their views on the subject?

The COLONIAL SECRETARY replied:—There are 610 subscribers on the lists. All except pensioners and the Shanghai Post Office staff, officers in some outstations, and those on leave have been asked to express their views. Returns are in most cases complete. Four hundred and six have either expressed their approval or stated they had no objection to the transfer. Thirty-seven have objected. It is impossible to say how many of those now in favour opposed it before. It is probable that all have altered their views. Thus it will be seen that 167 have given no opinion. If they were all opposed there would still be a majority of 212 in favour of the Government's proposals.

Hon. Mr. MURRAY STEWART—The answer to that question seems to also answer mine.

Mr. Stewart's question was—Have the Government taken steps to ascertain the individual wishes of contributors to the Widows' and Orphans' Fund, with regard to the Government's proposal to take over that

Fund: and, if so, will the Government inform the members of this Council how many subscribers are for, and how many against, that proposal?

THE EVIDENCE ORDINANCE.

The COLONIAL SECRETARY, in the absence of the Attorney-General, moved the first reading of a Bill entitled an Ordinance to amend the Evidence (Colonial Statutes) Ordinance, 1908.

The COLONIAL TREASURER seconded, and the Bill was read a first time.

WIDOWS' AND ORPHANS' PENSION FUND.

The COLONIAL SECRETARY moved the second reading of the Bill entitled An Ordinance to provide for the Transfer to the Government of Hongkong of the Widows' and Orphans' Pension Fund and of the Management and Control of the Pensions of Widows and Orphans and to consolidate the laws in relation thereto. In doing so he said:—The correspondence that has been laid on the table shows the reasons for the proposals of Government embodied in this Ordinance, which is in effect that in return for the contributions of contributors to the Widows' and Orphans' Fund, consisting in a 4 per cent deduction from their salaries, the Government should take over the Fund and guarantee the payment of the pensions thereunder which are calculated on the basis of 6 per cent compound interest upon the monies in the Fund. The object for which the Widows' and Orphans' Pension Fund was instituted in 1891 was to oblige officers of this Government to make provision for their widows and orphans, since the pensions which officers earn under the rules of the Colonial Service are payable to officers only and not to their widows and children. The necessity for such a fund was demonstrated in this Colony in the years prior to 1891, when applications to Government and, indeed, to the Public of this Colony for charitable relief of the widows and orphans of deceased officers were of very frequent occurrence. Officers who joined the Service prior to the institution of the fund had the option of joining it. Officers who joined after 1891 were obliged to join as a condition precedent to their appointment. Now it will be asked why does the Government wish to take over the fund? The answer is that the object of the Government is primarily benevolent. It is very desirable that the solvency of the fund should be assured. Now, under the existing Ordinance, Government is bound to pay 6 per cent compound interest on the monies belonging to the fund. As long as there is a surplus of assets over liabilities such contribution by Government is sufficient. But if, as might happen at some future time, there were a debit instead of a credit balance, the deficit would increase since the Government contribution of interest would be calculated on a sum smaller than that needed to meet the future liabilities of the fund. The Government contribution would, in fact, be less than that needed to maintain the equilibrium between assets and liabilities. In the contingency of a deficit one of three things would have to happen. Either the fund would become bankrupt, which would be a calamity for the many dependent on it; or contributions would have to be increased, or pensions would have to be reduced. Both these latter remedies would involve much dissatisfaction and are to be avoided if possible. Secondly, the Government by taking over the fund avoids the actual payment of interest on balances, should such exist. Thirdly, uniformity with the systems obtaining in the Civil Service of Ceylon and in the Civil Service of the affiliated colony of the Straits Settlements is attained. The advantages to the contributors to the fund are that they are assured of the solvency of the fund; of the permanency of their rate of contribution; and of the payment of pensions under the more favourable tables attached to this Bill—tables which the Secretary of State considers the Government guarantee of the fund justify. In addition, the fund is relieved of the heavy expense of periodical valuations by very highly paid actuaries, such valuations being obviously necessary while the fund is not guaranteed. The following direct advantages are contained in this Bill and with the new pension table constitute its principal differences from the Ordinance which it supersedes:—(a) Bachelors, who are dismissed the Service, or who die, have 50 per cent of their contributions

returned to them or to their legal representatives as the case may be. (b) Widowers, in the event of the death of their wives without children, or leaving children beyond the pensionable age, are permitted to cease their contributions on leaving the Service and obtain a refund of 50 per cent of their contributions from the date of their wives' deaths or of their children exceeding pensionable age. (c) Compound interest at 6 per cent. is allowed in calculating the contributions of bachelors. This is a valuable privilege especially in the case of those officers who have served for a considerable period before marrying. (d) The new tables attached to this Bill are more favourable by from 15 per cent. to 20 per cent. in the case of the average officer who has joined the Hongkong Service, and the fund, at the beginning of his career. On the other hand, the officer who joins the Service over the age of forty will probably not get so good a pension for his widow and children under the new tables as under the old ones. But it is provided that officers already in the Service shall not get less. The object is to prevent the fund being unduly burdened by large pensions to the widows of highly-paid officers who join this service late in life. Let me now turn for a moment to the objections that have been raised by the minority to the taking over of the fund by Government. First of all, there are the bachelors who object to be mulcted for the benefit of their married colleagues. They are of two classes. The young and gay, whom I will designate the "Butterfly Brigade." Of them it may be safely predicted that they will all marry as soon as they can make up their minds which particular flower among the many they devote their attention to is likely to taste the sweetest over a period of years. The other is the smaller company of would-be misogynists. Any woman will tell you that these are easier to capture than the fickle order of butterfly. I venture to predict that they will go down like common ninepins, if and when they meet the right girls, and the latter are favoured with opportunity. Then you have a small sect who disbelieve in disease and death. These hope for immortality. One can only envy their belief. But till some of them refuse to die we cannot well make exception in their favour. Then you have a squad which advocates provision of a capital sum for the maintenance of the widow instead of a pension. Now to this class I would speak a word of warning. The thing has been tried at home in the Workmen's Compensation Act and has proved a failure. Experience shows that none are so extravagant as widows left with a lump sum of money; and it has been observed that what they delight to waste their resources on is the acquisition of a new, and, as they think, more eligible husband. Now I am quite sure that no married contributor of the Hongkong Widows' and Orphans' Pension Fund would contemplate with equanimity the prospect of his widow falling into the arms of another man. Then you come to the individual who considers that if the Fund remained as it is, it might be possible to increase the pensions, owing to excess of contributions over pensions. It is extremely difficult to convince this class that in advancing this doctrine they are calling in question the calculations of the expert actuaries who valued the Fund in 1900, and the advice which the Secretary of State has since received from the actuaries. Now, Sir, as has been explained in the Secretary of State's despatch, the accuracy of the pension tables depends on two factors, namely, the closeness of the approximation of the mortality experienced and that assumed in the mortality table; and secondly, the accuracy of the actuarial process by which the pension tables are deduced from the mortality table and the rules of the Fund. Let me give an example of how an actuary would value our Fund. He would take each individual contributor and make a creditor and debtor account for him. On the credit side, he will put down the contributions already received from him, accumulated at six per cent. compound interest, and also the calculated value of any future contributions. On the debit side he will put down the calculated value of any prospective pension to widow and children. This value must, of course, be calculated by estimating the probability of the contributor dying in any one year; the probability in the event

of his death of his wife being alive and the expectancy of her life and enjoyment of her pension. Now I do not suppose that anyone will call in question the actuarial process by which the calculations are made. Life insurance companies never presume to do so. It will be seen, therefore, that the determining factor in fixing the accuracy of the calculation is the accuracy of the mortality table. Owing to its peculiar conditions it is impossible, and always will be, to get accurate mortality tables for Hongkong. Men don't spend their lives here. That is the real reason. Therefore actuaries have been compelled to adopt the mortality tables of other colonies, and they are never likely to adopt others. If they wished to, a sufficient number of lives would have to be traced. The errors in calculation of the tables naturally decrease the larger the number of lives investigated is. The members of the Fund are a small community and to obtain tables of any degree of accuracy it would be necessary to obtain the statistics of the lives of contributors including the lives of their wives and children, in many thousands of examples. There is another element of uncertainty. It is exchange. The Fund is a dollar fund since contributions are paid in dollars. But it has large and will have larger sterling liabilities. A substantial reserve must be kept to guard against fluctuations in exchange. For these reasons it is impossible to hope for better pensions than are now offered. Lastly there is the objector who objects that the Fund should be valued before Government takes it over and not after. Now, the pension tables under the existing Ordinance are different to the tables and the Bill now before Council. The Secretary of State has promised that there shall be valuation after this Bill becomes law under the new tables for the purpose of ascertaining if any balance is available for distribution among the present subscribers in the shape of bonuses on the pensions. There would thus have to be two valuations which would be a heavy expense to burden the fund with. And for the reasons stated above a valuation now without any real experience of the mortality among subscribers to the Hongkong Fund would not throw any material additional light on the matter. It may be objected that in such case the Government incurs a risk in taking over the Fund. Well, it cannot be denied that it incurs a responsibility. Whether there is a risk or not turns on the point whether the mortality experience of Ceylon is too favourable. In other words whether Ceylon is a healthier place to live in than Hongkong. I think that it may fairly be assumed that there is probably little difference and that therefore Government does not incur undue risk in guaranteeing the pensions calculated in the tables attached to his Bill.

The COLONIAL TREASURER seconded.

Hon. Mr. MURRAY STEWART—Your Excellency, The interesting speech to which we have just listened is an instructive comment on the correspondence which was laid on the table of this Council a week ago. In that correspondence, it appears to me, are to be found all the facts to which our attention has been drawn, and it is, to say the least of it, remarkable that the significance of these facts has been so long in impressing themselves upon the minds of officials in this Colony, including the Hon. Colonial Secretary. In his letter of 24th June, 1907, he referred to the fact that the contributors felt that the Hongkong fund had had a favourable start, and had accumulated so rapidly that they might confidently look forward to a possible increase in pensions, even on the Ceylon rates, if the fund were kept separate and further valuations were made from time to time. He did not dissent from that view, and that view is urged with even greater force in the report made by the directors of the fund, and by the committee which was appointed to inquire into the circumstances of the fund, and is signed by members of this Council now present. Therefore it seems to me that it is not captious criticism which describes this change of attitude as a remarkable conversion. We now learn that the majority is in favour of the proposals which, a year ago—and to my certain knowledge very much less than a year ago—were regarded as inequitable. It will naturally be said "If the majority of

the contributors wish for the transference, we see no ground on which it can be opposed." Sir, I still consider that there are grounds for opposing this measure, or rather for postponing this measure. Even under the circumstances that most of those who, until recently, found the present proposals inequitable, now regard them as advantageous, we have still to consider the rights of the minority. Lord Elgin's letter of January 1907 states that it is "desirable that the contributors should not feel that they have a grievance." I would add, not even a minority of the contributors. In many matters, perhaps in most, minority rights have to be overridden. When the necessity presents itself it has to be borne like a necessity, viz., with stoicism. But in this affair it appears to me that there is no such necessity, no need to ride rough shod even over a minority. If it be the case that no manner of injustice is proposed; if the present proposal, viewed in the light of an up-to-date valuation of the fund, contains nothing but unadulterated justice and generosity, why not wait until this truth has been made triumphantly manifest? The Home Authorities admit that it is reasonable for the contributors to ask that an up-to-date valuation of the fund should be made, and they promise to have one made, and furthermore promise certain concessions if the state of the fund, as valued, warrants it. It seems to me that this valuation ought to be made before legislating. In the case of Mauritius the reasonableness of a similar demand was apparently admitted, as will be seen from the Secretary of State's letter of January 1907. In our case there is no hurry. Only urgency could justify, it seems to me, the letter of the Secretary of State, dated 29th December 1907, wherein Your Excellency is instructed that the proposal must be adopted. The proposed legislation is essentially of a domestic nature. It deals with the affairs of our own household. It primarily concerns the people who pay and the people who benefit—the Hongkong public and the Officials of the Colony. The interest of the Home Authorities in the matter is comparatively remote, merely academic, in a sense—unless indeed we are to understand that the Imperial Government guarantees these pensions. I seek information on this point. Of course it is easy to conceive that, for the convenience of the Colonial Office, uniformity with other Colonies in such details of administration is desirable, but considerations arising out of a perhaps too exclusive study of that convenience can hardly be reckoned of such first-rate importance as to justify the abandonment of a policy of persuasion in favour of a policy of coercion. We can all understand that it is irritating to the Head of a Department, bent on simplifying the work of his office, to find his plans upset by men showing an unexpected tenacity in holding on to what they conceive to be their rights. But such small sources of irritation surely do not affect the atmosphere of the Olympian heights upon which Secretaries of State are supposed to live and move and have their being, and it is therefore rather remarkable, and I think regrettable, that impatience in dealing with this difficult and perplexing question should ultimately have been shown. Those who may feel called upon to deny that the Home Authorities have displayed impatience will doubtless point to the fact that as long ago as April 1902 they approached the Local Government on the subject, but I would point out that it was not until January 1907 that any reasonable defence of the present proposal was made. The subject is a most difficult one to understand, and even now there are many contributors of accredited intelligence who think that until a new valuation of the fund has been made, it is unfair to ask them to relinquish their rights in it. From their point of view the bargain proposed by this Bill resembles the proverbial pig in a poke. The bargain proposed may be fair enough, but if I were contributor, and thought so, I should still think that no contributor who thought otherwise should be compelled to become a party to it. I cannot appreciate the reasons for urgency which the action of the Home Authorities seems to imply. If the Local Government had been impatient it would be comprehensible enough. Three lakhs into general revenue in one entry.

and the prospect of receiving \$30,000 per annum and paying \$5,000 against it for as long as the gods will continue the luck of the Fund—this advantage we could all understand. Ob, but, it is said, the Government is not going to make anything out of this transfer, in the long run; the benefits are all in favour of the contributors. This brings into view another aspect of the question that calls for delay. If, the present proposals are highly advantageous to the contributors in the long run, they must be equally disadvantageous to the Hongkong taxpayer. I am sure no taxpayer would be likely to grudge whatever benefits are likely to accrue under this Bill to the wives of departed officials, but as so much has been made of the liability of the fund, so much said as to the prospects of it becoming insolvent unless taken over, that at least the Hongkong Public may be pardoned for desiring to know a little more definitively than they do at present the nature of the liability to which this Ordinance commits them. Therefore it seems to me that for more than one reason it is desirable for the Government to have an up-to-date valuation made and thereafter to bring their transference proposal to this Council. This, it seems to me, would have been the wisest course to pursue, this is what I think ought to have been done, and this I hope the Colonial Government will even now, at the eleventh hour, agree to press for. I cannot see any immediate necessity for this Bill; I do not approve of the method of its propulsion. I am not satisfied that justice is being done to the rights of an unrepresented minority. On principle I object to a measure of this nature being forced through this Council, and I beg your Excellency not to proceed with the Second Reading and to appeal to the Secretary of State to postpone the operation of his predecessor's fiat.

Hon. Mr. POLLOCK—I support the proposition just moved by the hon. member opposite. I think, Sir, that in this matter the wishes of the minority, although they appear to be a comparatively small number, should receive more attention. In this matter we are dealing with a body, more or less permanent, of civil servants who for many years devote their time and service, in many cases for 30 years, to the public service of the Colony, and in that case it is obvious that certain conditions of permanence should be observed in dealing with them. I venture to suggest for the consideration of this Council that the minority should not have forced upon them in the disposal of the fund to which they have contributed different conditions from those under which they began to contribute to the fund. Probably hon. members will remember the very celebrated legal case which went to the House of Lords some few years ago, the case of the Free Church of Scotland. It will be remembered that the majority of the members who took part in that decision of the House of Lords very strongly emphasised the fact that where a fund had been contributed to for a certain purpose and under certain conditions it should not be diverted. I think, Sir, that the hon. member opposite has very forcibly urged arguments in support of the proposition which he has submitted and I content myself by saying that I agree with those arguments.

THE COLONIAL SECRETARY—Sir, the hon. member nominated by the Chamber of Commerce twitted me with inconsistency, but if he will read my despatch of the 24th June, 1907, he will not find therein one single word in the nature of expressing an opinion one way or the other. I was asked by the Secretary of State to have this question of the transfer of the fund further considered and if possible to legislate in the necessary direction. I found, Sir, that the service almost to a man opposed the proposal, and I offered, as it turned out, extremely sound advice when I suggested to the Secretary of State to let the matter rest. The matter has rested, Sir, with the result that now after a year's consideration and after taking the trouble for the first time to inform themselves of the nature of this Widows' and Orphans' Pension Fund, the service has come round. The hon. member said the conversion was remarkable. Well it is somewhat remarkable, but it is not at all surprising when you have been behind the scenes and know the condition of absolute ignorance

which prevails among the vast majority of the contributors as to the benefits accruing to them under the old pension fund and under the new pension fund. Now, Sir, last year the civil servants got it into their heads that life insurance companies would give them better terms than they would get under the Widows' and Orphans' Fund. They imagined that the terms would be better in this way—that the pensions to their widows would be almost equal and that bachelors would have the satisfaction of knowing that their relatives would benefit by their insurance policies. Certain members of the service took a typical case, calculated it on the life insurance tables of one of the companies in the Colony, and set it side by side with the benefits accruing under the Widows' and Orphans' Fund, and the Service to a man exclaimed "The Government, as usual, is doing us in the eye; we can get better terms from some commercial house in Queen's Road." But it was discovered that in these figures which had been circulated a little error of between 40 and 50 per cent had been made in calculating the pensions that would accrue in the insurance company. When that little fact became known the service naturally threw the suggestion of compulsory life insurance overboard. A life insurance company here was asked whether it would take over the Widows' and Orphans' Pension Fund and guarantee the pensions thereunder, but their reply was very vague, to the effect that they wished to consult their directors at home. We have heard nothing more about it, and I am not surprised, because owing to the conditions of the fund, owing to the fact that the widows and orphans have benefitted by the contributions of bachelors, which is of the essence of the fund, the pensions accruing under this fund are very much more favourable. The conversion in the service I said just now, was remarkable. I referred to the ignorance which had existed as to the benefits accruing under the fund. That ignorance was absolutely colossal. I will give you an instance in my own experience. I have an extremely intelligent set of Chinese clerks in the office and I asked one the other day—Do you know what your pension is under the Widows' and Orphans' Fund? "I suppose it is some wretched \$7 or \$8 a month," he answered. I told him to calculate it, and when he did so he found that it was \$35 a month. And so on right down the service; nobody has really taken the trouble to find out what amount he would get in return for the four per cent reduction. Now they have found it. They find it is good business and they are willing it should be put on a permanent basis guaranteed by the Government, thereby showing no little wisdom. Now what of the minority? A great deal has been said of them. What are you to do with the 37 men? Surely you don't propose that the vast majority of the civil servants are to forego the benefits which I have described in my opening speech in order that these 37 men may play dog-in-the-manger. It seems to be impossible to get it into their heads that there is any benefit at all in the fund, and I venture to say that these 37 men have either not calculated their pension under this fund or they are bachelors who never intend to marry or else they belong to that body of cross-grained individuals who view all Government proposals with disfavour. In my opening speech I tried to demonstrate that a valuation now would be simply throwing money away—a valuation was made as recently as 1900, and on that valuation pension tables were instituted on the highest actuarial advice. For the reasons I have tried to give it is inconceivable that if a valuation were made now, the result would be materially different. The colony of Mauritius was mentioned and it was stated a valuation was being taken there prior to Government taking over the fund, but the conditions in that old established Colony are not comparable to the conditions here; and because a valuation was made in Mauritius it did not follow that it was necessary that one should be made here. It has also been alleged that there has been undue haste in this matter. That, Sir, is an extraordinary charge inasmuch as it is evident from the correspondence laid on the table that this question has been under consideration since 1903. In 1905, nearly three years ago, the proposal was brought forward in this Council to trans-

fer the fund to Government and the matter has been under consideration more or less since. There has been no compulsion about it. The Secretary of State, it is true, has said that he wishes this Ordinance passed. After having given the fullest explanations possible he must have been astonished, and the officials of the Colonial Office and the actuarial advisers must have been astonished last year when they heard that the Hongkong civil servant would not touch his scheme with the end of a pole. They wrote in reply to my despatch that it was quite evident the contributors had not considered the previous correspondence and did not really understand the subject. There they hit the nail on the head: the subject was not understood. The hon. member who represents the Chamber of Commerce has himself fallen into one of those errors which are difficult to avoid. He insinuates that it is good business for the Government in taking over this fund to save \$30,000 in interest while they are only paying a bonus of \$5,000.

THE COLONIAL SECRETARY—But, Sir, the bonuses that the Government are guaranteeing to pay are calculated on the basis of 6 per cent. compound interest, and it does not make the slightest difference whether that compound interest is paid as it is in the special fund or whether it is guaranteed in the pension. It is merely a matter of book accounts. What the Government does save by taking over the fund is the payment of interest on any balance that there may be of assets over liabilities. In 1900 that balance was \$10,000. The hon. member opposite also showed a want of appreciation of the liabilities that fall on a fund of this nature when he spoke of the bonus of \$5000 as a mere paltry sum out of that large balance of three lacs which the Government would take over. There is nothing like taking a concrete case. The other day there was a deplorable shipwreck in these waters when the steamer "Powan" went down. Supposing four married officers of this Government, two married officers of class one and two married officers of class two had been on board and had been drowned. Their widows' pensions would have averaged \$1,500 each, or say, \$6,000 in all, which at ten years' purchase equals a capital sum of \$60,000 to be set aside in the fund to cover these pensions. That is an example of the liabilities to which the fund is open. The hon. member hinted that in taking over this fund any deficit would fall on the taxpayer, but as I said in my opening remarks there is no prospect of insolvency and it is a saving for the Government and for the contributors to know that the fund is assured. If the fund became bankrupt I am quite sure that the community and the Government would not like to see the widows and orphans left destitute. But in this matter the proposals of the Government are based on as sound advice as is obtainable. You have the valuation of 1900. The Secretary of State in his despatch No. 11, paragraph 10 said that his predecessor had since consulted actuaries, and during the months that the proposals were being made he had as good advice as could be had. I don't think therefore that there is any sufficient reason for delaying this resolution which has been delayed too long.

HIS EXCELLENCY—Gentlemen, I do not propose to say many words on this subject since we have had very full explanations on both sides of the question, on the one hand by my hon. friend, the Colonial Secretary, and on the other by the hon. member who represents the Chamber of Commerce. There is one point alone I will take, and that is the argument by the hon. member on my right that the Imperial Government has, in this matter, a comparatively secondary interest. The primary interests of this Colony are on the one hand, the officials, and on the other hand, the taxpayers. Why in these circumstances, should this Colony be dictated to and ordered to pass legislation in this strain? That, I take it, was the *grave-men* of the question put by my hon. friend. Now, gentlemen, the Imperial Government has a very distinct and direct interest in this particular question. It must not be overlooked that the civil servants are appointed by the Crown. They are direct servants of the Crown, and the Secretary of State is the representative of Crown. It must not be overlooked that the civil servants of this Colony may at any time be transferred to

any other, and frequently are. Therefore, where you have transferable services there must of necessity be some uniformity. The Secretary of State after, as my hon. friend said, most searching investigation and full advice, as guardian of the interests of this Colony not only for the moment but in future, and of the interests of the civil servants of whom he is still the more direct guardian, has considered this a more advantageous scheme on the one hand for the Colony, and on the other hand for the civil service. Any further delay, in addition to the long delay which has already occurred in putting further investigations into this scheme for additional valuations and so forth unless it were deferred for a period of perhaps twenty, thirty or forty years, would not give really reliable figures. The best advice the Secretary of State has, is that on the whole it seems fair to both sides. The subject during the last week or two has been fully discussed and considered by those immediately affected right up to the Colonial Secretary, and the vast majority of the subscribers are in favour of the change. In these circumstances, gentlemen, I am myself of opinion that we can endorse in this Council the proposals made in the despatches of the Secretary of State, and that this Bill should be read a second time.

On being put to the meeting the motion was agreed to and the Bill was read a second time.

HIS EXCELLENCY—Council stands adjourned until Thursday next.

FINANCE COMMITTEE.

A meeting of the Finance Committee was then held, the COLONIAL SECRETARY presiding. The following votes were passed:—

PUBLIC WORKS.

The Governor recommended the Council to vote a sum of four thousand six hundred and seventy Dollars (\$4,670) in aid of the vote, Public Works, Recurrent, Maintenance of Lighthouses.

COLONIAL SECRETARY'S DEPARTMENT.

The Governor recommended the Council to vote a sum of three hundred dollars (\$300) in aid of the vote, Colonial Secretary's Department and Legislature, Other Charges, Incidental Expenses.

PUBLIC WORKS EXTRAORDINARY.

The Governor recommended the Council to vote a sum of eight thousand five hundred dollars (\$8,500) in aid of the vote, Public Works Extraordinary, Quarantine Station.

COMPENSATION.

The Governor recommended the Council to vote a sum of fifteen thousand dollars (15,000) in aid of the vote, Public Works, Extraordinary, Public Health and Buildings Ordinance, 1903, Compensation.

BOTANICAL AND FORESTRY VOTE.

The Governor recommended the Council to vote a sum of two thousand dollars (\$2,000) in aid of the vote, Botanical and Forestry Department, Other Charges, Forestry in New Territories.

MEDICAL.

The Governor recommended the Council to vote a sum of five hundred dollars (\$500) in aid of the vote, Medical Departments, B. - Hospital and Asylums, Infectious Hospitals, Hulk *Hygeia*, for the following items:—

Personal Emoluments.

Temporary staff ... 200

Other Charges.

Provisions &c., ... 300

Total ... \$500

TAIPO STAFF QUARTERS.

The Governor recommended the Council to vote a sum of two thousand Dollars (\$2,000) in aid of the vote, Public Works Extraordinary, Staff Quarters, Tai Po.

MONGKOKTSUI BREAKWATER.

The Governor recommended the Council to vote a sum of one hundred and eighty-six thousand five hundred dollars (186,500) in aid of the vote, Public Works Extraordinary, Mongkoktsui Breakwater—Typhoon Refuge for Small Craft.

The CHAIRMAN—Briefly this matter is explained thus: You are aware that the Government proposed to construct a typhoon refuge at Mongkok by the construction of a long breakwater. The dredger "St. Enoch"

has been employed at the Naval Extension Works by Messrs. Panchard, Lowther and Co. The work is now finished and we purchased her at \$15,000, say \$170,000. It is estimated that the vessel cost about £30,000, and we calculate that when we have done with her we will be able to get a handsome sum by her sale, as the Colony cannot afford to keep her for its own purposes. The rest of the item is made up of wages to crew, which are a considerable item, during the remaining months of this year. It has been calculated that by this purchase the Government will save very considerably over what they would have spent if they had hired the only dredger which is for hire in the Colony at the present time, the "Canton River." Those are briefly the facts, gentlemen.

Hon. Mr. POLLOCK—By voting for this we shall not be committing ourselves to the actual construction of the refuge at Mongkoktsui. By voting for the dredger would we be committing ourselves to defend the refuge scheme? That, Sir, is what I wish to find out.

The CHAIRMAN—There is no doubt about it that the dredger is part of the Mongkoktsui typhoon refuge scheme, and I would remind you that by adopting the report of the Public Works Committee (No. 1) of this year, this Council has committed itself to the construction of that shelter. The Public Works Committee, after very full investigation, recommended finally that this refuge at Mongkoktsui should be proceeded with, and that report was adopted by this Council.

Hon. Mr. POLLOCK—Assuming the purchase of this dredger, would it not be useful for dredging at Causeway Bay?

Hon. COMMANDER TAYLOR—It would be quite useless for that.

The CHAIRMAN—I would like to take this opportunity of correcting some most extraordinary misapprehensions which exist in the public mind regarding Causeway Bay. It seems to be considered that because the southern portion of the bay is bare at low tide, therefore Causeway Bay has silted up. That is not so. That is foreshore, as can be seen on the latest charts in the Colony. If you want to remove that you have got to take it away. The other part of Causeway Bay is quite deep enough.

Hon. Dr. HO KAI—What is the area of Causeway Bay?

The CHAIRMAN—It is 57 acres. There is another misapprehension I should like to correct. When a typhoon is blowing outside the tides are held up in this harbour. The effect of that is that when a typhoon is on the foreshore Causeway Bay does not become exposed. There is water there for the shallowest purpose inside. However, the Public Works Committee desire that it should be deepened, a particular area of it, and it is being deepened, but personally, and I have lived in the Colony for twenty-five years, I believe a great misapprehension exists as to the condition of the Causeway Bay Shelter, and I venture to think my hon. friend, the Harbour Master, will agree with me.

Hon. COMMANDER TAYLOR—Certainly. There is always a very high tide in a typhoon.

Hon. Mr. POLLOCK—I quite follow with regard to what you say about the report having been passed in this Council, but since then, Sir, a good deal has happened. As regards the matter of Finance, there has been very lengthy correspondence between the Government and the Chamber of Commerce, and the matter does not stand at all as it did when that financial minute was passed. It is quite obvious that the scheme cannot be carried out if we have difficulty in financing, and Sir, I would like to point out that quite recently a scheme appeared in the local press in which Messrs. Denison, Ram and Gibb pointed out that the present typhoon refuge at Causeway Bay could be prepared at a comparatively small cost.

The CHAIRMAN—But it is in a wrong position. One of the points for making a new refuge is that it should be elsewhere. Now, gentlemen, I would remind you that the several schemes for various boat shelters in the harbour were referred to the Public Works Committee, who selected Mongkoktsui. Then the recommendation was referred to the Typhoon Relief Committee. That was one of the biggest committees ever formed in the Colony, and every possible man was on it, members of the Chamber

of Commerce, heads of firms and everybody. That committee approved of it. Then it was referred again to the Public Works Committee on which the representative of the Chamber of Commerce, Mr. Hewett, had a seat. They discussed the matter very fully. You will find it in the Public Works Committee report (No. 3) of 1907. There was then some difference of opinion, some of the members wanting to go further afield than Mongkoktsui. They wanted to go to Chaungshawan, which is a long way beyond Stonecutters. Then it was finally settled in the first report of the Public Works Committee for the current year, and it seems to me that the thing was threshed out thoroughly. At any rate I am prepared to say that His Excellency has intimated that he is not prepared to reopen the question of a site for a breakwater. The site of this breakwater has been practically fixed, but the question of financing it, is, of course, another matter. But in view of the widely expressed public opinion that there should be an additional shelter, and in view of the references to every conceivable body that could be considered to give a good opinion on it, the scheme has been adopted by the majority. I think you may take it, gentlemen, that in voting this money you are assisting the Government to carry out what is regarded as fixed policy—that is, to build the breakwater at Mongkoktsui, come what may, as the result of the consideration of the Public Works Committee and other bodies, and the Government's own review of all the possible schemes.

Hon. Dr. HO KAI—And I take it that when this money is voted, the Government is going to carry out the scheme, and will get it finished as soon as possible.

The CHAIRMAN—This dredger is actually in our possession. It came into our possession yesterday, and we propose as soon as we can possibly arrange it to start her on her new career of digging out the trench.

Hon. Mr. POLLOCK—Was the bay on the north east of Stonecutters considered at all; the bay in which the "Hygeia" usually is?

The CHAIRMAN—No, not that side. It is a long way to get to that.

Hon. Mr. POLLOCK—Not much further from West Point than to get to Mongkoktsui.

The CHAIRMAN—I don't agree with you there. The site on Stonecutters suggested was at the south-east corner.

Hon. Mr. POLLOCK—The south-east corner is much more exposed than the north.

The CHAIRMAN—Hon. unofficial members would no doubt like to refresh their memories by having a copy of the reports. I will ask the clerk to be good enough to send you the reports of the Public Works Committee, No. 3 of 1907 and No. 1 of 1908, and to be good enough to send copies to the Press also. They contain most interesting information.

Hon. Dr. HO KAI—And will you defer this vote?

The CHAIRMAN—No, Sir. I don't see any necessity. The dredger is there, and we have got to pay for her.

Hon. Mr. POLLOCK—I understand the Government have absolutely purchased this dredger?

The CHAIRMAN—We have purchased her. Even if there was a change of site we would still want the dredger. What I want to make clear is, as far as I know, his Excellency has not any idea of giving up the Mongkok scheme. The Committee then adjourned.

The *Straits Times* says it is reported that Messrs. Howarth, Erskine and Company, Ltd. have secured the contract for the supply of steel materials for the new building of the Hongkong Hotel Company Ltd. The contract is said to amount to a good round sum of money.

The body of the European found in the harbour last week has not been identified. The police have had it photographed, and the photographs have been freely circulated, but without avail. It is believed that deceased must have been a member of the crew of some vessel which has since left port. His death must have been accidental or self sought, as there were no marks of violence on the body, and money was found in his purse.

CANTON.

(FROM OUR CORRESPONDENT.)

THE FLOOD.

His Excellency Viceroy Chang has issued an appeal to all the Viceroy and Governors of Provinces to co-operate with him to raise the sum required to relieve the distress in the Two Kwang provinces caused by the recent floods.

The authorities are requested to stimulate the zeal of the wealthy in their respective districts. The sum required is about two million taels and the money collected would be advanced as a loan. The Viceroy himself subscribed a portion of his salary towards the fund. His appeal gives full details of the disastrous effects of the flood in the different districts and states that such a calamity is unprecedented in the annals of the province.

The inauguration of the Flood Fund Bazaar here will take place on the 31st instant. The committee have already received numerous valuable gifts from the gentry, merchants, and girl schools. The Bazaar is to be open for seven days and nights. A charge of 50 cents is to be made for admission.

ANOTHER SEIZURE OF ARMS.

It is reported that a big seizure of arms and ammunition has been made in Kongmoon, the value being stated as \$10,000. The arms were to be conveyed to a family in Sun-Wui where a clan dispute was going on. This will no doubt end the dispute as one of the belligerents will certainly get into serious trouble over the matter.

DULLNESS OF TRADE.

One of the principal industries in Fat Shan is the manufacture of cotton cloth. This has been a flourishing industry in that City for several decades and gave employment to thousands of men and women. It is carried on in hand-looms and many of the weavers work in their own houses. Over a million dollars of this textile are annually manufactured and sold in the interior and other provinces. The cloth is chiefly manufactured from imported foreign cotton yarn. It is reported that the demand for the native cloth this year has diminished considerably. Recently almost half the number of shops dealing in this article have closed down, reasons given being dullness of trade, bad harvests and keen competition of foreign piece goods.

FIRE.

In your issue of the 18th instant you gave a summary of the fire which occurred in the Viceroy's Yamen. Here are further particulars:—Owing to an unsatisfactory explanation concerning the origin of the fire His Excellency the Viceroy has ordered the arrest of the two servants of his clerk Ting, and sent them to the Nam Hoi.

They were tried by the Chief Magistrate Chang. When questioned both prisoners stated that they have been in Ting's employ for the last eight years and during that time they had never committed any fault or blunder. On the morning in question their master as usual looked his door, hung the key outside and went to his breakfast. There was no lamp burning in the room and nobody was smoking opium. They only knew the place had caught fire when they saw smoke coming from the direction of the room. The same questions were put to them many times but elicited the same answer. They denied all knowledge of the origin of the fire. The case is adjourned for further trial.

CANTON-HANKOW RAILWAY.

The local authorities have received a cablegram from Peking stating that an Imperial Edict has been issued appointing H.E. Chang Chi Tung as the Chief Superintendent of the Canton-Hankow Railway Company. It is believed that the above announcement will give satisfaction and pacify the hot-headed and troublesome Cantonese shareholders.

OPIMUM CRUSADE.

The Police have been instructed to stop the manufacture of all opium smoking implements and the Customs authorities have been requested to prevent the importation of same. In future those who still continue to manufacture or import these articles will be severely punished.

PRECAUTIONS REGARDING REFORMERS.

His Excellency Viceroy Chang has received a telegram from the Central Government instructing him to be cautious with reformers taking up official positions in all the ordinance departments and powder magazines and ordering him to institute investigations in all those departments and find out the antecedents of the officials at present employed.

PROMOTION OF TRADE AND AGRICULTURE.

The Grand Council has telegraphed to H. E. the Viceroy instructions for the promotion of trade and agriculture in the Province. His Excellency is ordered to investigate thoroughly the nature (objects?) of the travelling public, and more especially to direct his attention to the steam launch service in the interior; to hold meetings to encourage the people to open new industries and foster agriculture. The instructions enjoin the Viceroy to impress on the people to do these things in earnest.

DANGEROUS EXPLOSION.

Last week a keg containing fifty pounds of smokeless gun powder exploded in the Wing Chai Powder Magazine situated outside the North Gate. Part of the roof of the building was blown off and the wooden floor of the magazine caught fire, but fortunately there were several bottles of fire extinguishing chemical fluid in readiness and the fire was put out without further mishap. The officer in charge of the Magazine not being able to discover the origin of the accident put it down to spontaneous combustion caused by excessive heat of the sun.

A NOVEL PUNISHMENT.

It is the duty of the Provincial Treasurer to furnish annually before the sixth moon a memorial containing a detailed account of the Provincial expenditures for the previous year to the Throne. His Excellency's accountants have been rather late this year in furnishing the accounts. So far Treasurer Woo has been unable to draw up the memorial owing to the accounts not being ready. Yesterday he summoned the chief accountant Chan to explain the reason of the delays, and on receiving an unsatisfactory explanation, His Excellency ordered Chan to kneel down in the Court for two hours as a slight punishment, after which a limited time was given to have the accounts ready and, if he exceeded the time, he would be dismissed from service.

THE MINTING OF COPPER CENTS STOPPED.

Before the minting of copper cents by the Provincial mint here, Hongkong copper cents were in great demand. The market has been simply inundated with native copper cents since the Provincial Mint commenced producing them. They have consequently been at a big discount and there has been a huge accumulation of these coins at the Mint. The Provincial Government had been making enormous profits in circulating them. The Bureau of Local Affairs (Provincial Financial Department) on discovering that the demand was diminishing considerably, enforced a regulation that all salaries of Government Officials were to be paid 80 per cent. in silver and 20 per cent. in copper cents as a means of forcing those coins into the market. This practically means a small reduction of their salaries. It is reported that recently some high officials who were dissatisfied with the new regulation appealed to the Throne. The result was that an Imperial Edict was issued ordering the Provincial Mint to cease minting copper cents for three months. The value of these coins is gradually rising and the officials are now paid entirely in silver.

OFFICIAL DEPUTATION.

His Excellency Viceroy Chang has deputed Taotai Wei Han as special delegate to proceed to Tonking to apply for the rendition of about ten rebels who are now detained there. Mr. Wei Han is an excellent French scholar and, besides holding the office of adviser on foreign affairs, he fills several onerous positions such as Chief Director of the Canton-Kowloon Railway, Director of the Whampoa Torpedo Fleet, and Director of the Ordinance Department. He will proceed to Tonking with ex Magistrate Chan Pak Han this week.

THE BOYCOTT.

The members of the Sea Delicacies Guild in Fat Shan called a special meeting on the 20th instant with a view to stimulating the native industry of sea delicacies. The Chairman

stated in his speech that it had been brought to the notice of the guild that certain dealers who are devoid of shame in making money have clandestinely purchased foreign (Japanese) sea delicacies. A resolution was put and passed that in future any shops or firms discovered dealing in foreign sea delicacies are liable to a fine of 1,000 taels for each offence.

CORRESPONDENCE.

[TO THE EDITOR OF THE "DAILY PRESS."]

HONGKONG AND OPIUM.

22nd July, 1908.

DEAR SIR—With reference to the Article under the above heading which appeared in your issue of this date, as Solicitors for the Opium Farmer of this Colony we are instructed to inform you that the report of the interview contained in such article does not correctly represent our client's true views of the subject matter thereof, which are of quite a different nature.

We shall be obliged if you will give this communication an equivalent publicity to that afforded to the article in question, the serious inaccuracy of which, if uncontradicted, might substantially damage our client's interests.

Yours faithfully,

DEACON LOOKER & DEACON.

[This refers to a letter written to a London paper by the Rev. G. A. Wilson, Secretary of the Society for the Suppression of the Opium Trade, who quotes from the "Malay Mail" a statement purporting to have been made by Mr. Loke Yew (who is described as the holder of the Hongkong opium farm) denying that the holders of the monopoly threatened to claim compensation should the opium resolution of the House of Commons be carried out, and further crediting Mr. Loke Yew with stating that he would welcome the suppression and would put no opposition in the way of the Government—ED.]

A HONGKONG TRADE MARK CASE.

DECIDED BY THE PRIVY COUNCIL.

We learn that a telegram has reached the Colony announcing that the Privy Council has allowed the appeal in the famous trade-mark case *Leuba Freres v. Ullmann & Co.* with costs in Messrs. Ullmann & Co.'s favour. This litigation, which refers to the trade mark on watches imported by the parties to the action, had been in progress since 1902. In 1906 an application for an injunction was heard by the Chief Justice (Sir Francis Pigott) who gave judgment in favour of the plaintiffs. The defendants appealed to the Full Court, when His Honour the Chief Justice upheld his previous judgment Mr. Justice Wise's judgment was in the favour of the appellants. Messrs. Ullmann & Co. carried the case to the Privy Council with the result above stated.

It is understood that Mr. E. H. Sharp, K.C. formerly of Hongkong, was one of the Counsel engaged in the case on Messrs. Ullmann & Co.'s behalf. Mr. Sharp was counsel in the case (instructed by Messrs. Wilkinson and Grist) when it first came before the Supreme Court. On his leaving the Colony Sir Henry Berkeley K.C. was instructed.

Mr. C. D. Wilkinson is in London in connection with the case, as also is Mr. John Hastings whose firm was instructed on the other side. Mr. Justice Wise being also at home, it is probable that the Hongkong Bench and Bar were well represented at the hearing of the case.

We understand that the costs of this litigation will amount to something like \$60,000.

Rain fell almost continuously from Wednesday noon till Thursday night, and caused several landslips, notably one at Battery Path where several tons of earth were dislodged, and another large slip occurred in the Peak Road just below Mr. Henry Humphreys' residence. Several shops in the Eastern part of the city were in undated. The Tytarn reservoir, which at the beginning of the month was 26ft. 8in. below overflow, was reported yesterday to be overflowing.

HONGKONG SANITARY BOARD.

A meeting of the Sanitary Board was held on July 21st at the Board Room. Mr. C. McI. Messer (president), presided, and there were also present Hon. Mr. W. Chatham, (Vice-President), Hon. Mr. E. A. Irving, Lieut-Colonel Reid, R.A.M.C., Messrs. Shelton Hooper, H. Humphreys, Lau Chu-pak, and the following officials Dr. Pearce, (Medical Officer of Health), Dr. Macfarlane, (Assistant Medical Officer of Health), and A. Gibson (Secretary).

NO SLIGHT ON THE SANITARY BOARD IMPLIED. The following reply from Government, relative to the question of permitting water closets in buildings in Kowloon, was read:—

Colonial Secretary's Office,
30th June, 1908.

SIR,—I am directed to acknowledge the receipt of your letter No. 4756 of the 25th instant, forwarding Mr. Shelton Hooper's remarks at the meeting of the Board held on the 23rd instant, concerning the amendment made by the Legislative Council in section 162 of Ordinance 1 of 1903. The amendment was unanimously adopted by the Council in Committee on the Bill, and looking to the fact that modifications often of a comparatively trivial nature in individual buildings require under the Ordinance the approval of the Governor-in-Council, it would appear to be an anomaly that that approval should not equally be required in a matter of such enormous importance as the introduction of water closets. That the power of final approval should be vested in the Governor-in-Council does not therefore imply a slight on the Sanitary Board any more than the final approval in the other cases referred to.

F. H. MAY,

Colonial Secretary.

MR. HOOPER—Sir, Why I called attention to the letter the Government sent down to us informing us of the reason why they had made that change, which I characterized as a slight on the Board, was on account of reasons given at the Legislative Council as reported in "Hansard" for making the proposed change. The Colonial Secretary stated that "in defiance of medical opinion consulted, the Board had decided to permit water closets at Kowloon." It was for these reasons I thought it was a slight on the Board, but now the Government have written down and did not reiterate that reason, I am satisfied with having called attention to it as the reasons first stated are not the reasons now stated.

ADMINISTRATIVE HEAD'S INSTRUCTIONS.

The following are the instructions for the guidance of the Administrative Head of the Sanitary Board:—

(1) The head of the Sanitary Department shall lay on the table of the Sanitary Board not later than the 31st March in each year the proposals for important changes in the draft estimates of expenditure for the department for the following year together with proposals for making recommendations to Government for including in the estimates of public works extraordinary of works of a Sanitary nature such as latrines, market, sanitary improvements etc., and shall bring these estimates and proposals before the Board for discussion at the next ordinary meeting after that date.

(2) He shall consult the Board in regard to changes in the methods of procedure for giving effect to bye-laws relating to disinfection of infected premises, domestic cleanliness and ventilation, entry and inspection of buildings, prevention and mitigation of epidemic, endemic or contagious disease.

(3) He shall keep the Board informed of any changes in the organisation of the Sanitary Staff which he may deem it necessary to carry out.

(4) He shall consult the Board (a) before recommending the selection of candidates for the staff of inspectors in England; or the appointment of such candidates in the Colony; (b) Before recommending to Government the grant of leave of absence to European members of the staff; (c) before recommending to Government the dismissal or degradation of any members of the European staff.

(5) He shall lay on the table at each ordinary meeting of the Board, complaints of the public against any member of the staff.

MR. HOOPER—It is not stated from whom these instructions emanate, though probably from the Government. I would not limit the class of bye-laws. Section 2 should read "all byelaws."

CATS AND PLAGUE.

The following minute from the COLONIAL SECRETARY was submitted regarding cats as plague preventers:—

"YOUR EXCELLENCY—I attach an extract from the *British Medical Journal* containing an article on the value of cats as plague preventers. We owe it to the research of Dr. Hunter that hitherto inhabitants of Hongkong have been discouraged from keeping cats. For Dr. Hunter discovered that cats, pigs, fowls and other of the lesser animals suffered from plague—an absolute or almost absolute fallacy. The Indian Commission have established that plague in a cat is practically unknown. Your Excellency suggested in Memo. 8407/1907 that special inducement should be held out to householders to keep cats. I suggest that this extract be now communicated to the Board who might be asked to suggest means of encouraging householders to keep cats. Of their utility there is no doubt. My house some three years ago became infested with rats upon whom the rat-catchers of the Sanitary Board could make no impression—they caught one about one month old. I then invested in a cat which cleared my house in a few weeks of rats which have not appeared since."

HIS EXCELLENCY'S reply to the Hon. Mr. May was—"I thoroughly concur. I have thought this sometimes, and I regret I did not emphasise my opinion more. My only regret is that we shall also see the last of our singing birds."

THE MEDICAL OFFICER OF HEALTH continued—With regard to the effect of cat keeping in the incidence of plague, the following points might be of interest:—Out of 598 houses in Saiying-pun district cats were found in 204; out of 26 cases of plague on these ground floors 23 occurred in floors where no cats were kept, and three only where a cat was kept; out of 71 cases of plague in upper floors, 51 were in houses where no cat was kept on the ground floor, and 20 where cats were kept on the ground floor. Out of 97 cases, 74 occurred where no cat was kept on the ground floors, and 23 where cats were kept on the ground floors. Out of 210 houses with cats on the ground floors, 187 had no cases notified in them, while 23 had cases notified.

LIEUT-COLONEL REID minuted—I thoroughly agree with the suggestion in the Colonial Secretary's minute.

MR. SHELTON HOOPER—I think the idea of keeping cats excellent, and quite concur in what the Colonial Secretary says as to their utility. But it is very difficult to keep cats any length of time, as the Chinese steal them.

MR. HUMPHREYS—Esablish an annual cat show and award prizes for best ratters and cats that have most kittens; abolish staff of plague inspectors, supply all Europeans with ear plugs gratis.

MR. LAU CHU-PAK—An excellent idea. I have been keeping cats in my house a good many years, and so far my servants and neighbours have not stolen a single one of mine yet. One, however, was fired at by an English neighbour for making a noise.

THE REGISTRAR-GENERAL—From the Sanitary Board point of view it won't matter if they are stolen. They will be catching rats all the same.

THE PRESIDENT suggested that a committee go into the matter, as to how they could best encourage Chinese to keep cats. The committee should consist of the two Chinese members, the Registrar-General, the President and the Colonial Veterinary Surgeon.

This was put in the form of a motion, seconded by Mr. HOOPER, and agreed to.

A SANITARY SURVEYOR'S LEAVE.

MR. A. CARTER applied to the Board for permission to commence his leave of absence on September 1st.

THE PRESIDENT wished to know if this application should be considered confidentially.

MR. HOOPER—I think it is only fair to Mr. Carter to say in public that he thoroughly deserves his leave, and that I should strongly recommend the Governor to grant it from

September 1st. No man has done more for sanitation in this Colony than Mr. Carter, and in the respective offices which he has held for the last seven years he has carried out his duties faithfully. Personally, I agree with Mr. Lau Chu-pak that Mr. Carter's leave should be granted, and that the work he is now engaged on—cubicle work—should stand over until his return.

MR. LAU CHU-PAK endorsed Mr. Hooper's remarks.

THE PRESIDENT—I shall inform the Government that the Board has no objection to granting leave to Mr. Carter.

MORTALITY STATISTICS.

Based on a death rate per 1,000 per annum the mortality statistics for the whole Colony show a percentage of 38.4 for the week ended 4th instant; and 29.5 for the week ended 11th instant, as against 25.6 for the corresponding week of last year.

RAT RETURN.

The rat return laid on the table showed that up till July 18th, 383 rats had been destroyed, and none of these were found to be plague infected.

ACTIONS AGAINST A CANTON FIRM.

On July 16th in the Danish Consular Court at Shanghai two actions were brought against Messrs. Carl W. Smith & Co., merchants of Canton. The first was brought by a Cantonese merchant named Hop-Shing who claimed \$1,370.63, being the price of a cargo of split bamboo delivered under contract. Defendants, in the pleadings disputed the claim on the ground that the quality was not up to contract. They alleged that plaintiff was responsible for the quality of the bamboo until same had been approved by the home buyer; it was also alleged by the defendants that the contract was not in order as it was only signed by one of the firm's managers whereas it should have been signed by two joint managers. Plaintiff denied that the signature of two managers to the contract was necessary and alleged that previous contracts had been carried through bearing only one signature.

Defendants made a counter claim of \$10,000, or such amount as the Court may award for damages for alleged boycott by plaintiff and others of the firm's goods.

Plaintiff did not appear himself, nor was he represented by counsel. Mr. Steckmast, of Messrs. Hanson, McNeill and Jones, represented the defendants.

His Honour adjourned the case for one hour to give plaintiff or his counsel an opportunity to appear. Neither of them put in an appearance, however, and the action was dismissed.

The second action was brought by Lee Talun, also of Canton, the claim being for \$1,033.69 money advanced by him as compradore to defendants. Mr. Steckmast appeared for the defendants, plaintiff being present in person.

Mr. Steckmast applied for an adjournment for one month, his client being in America.

In reply to Court plaintiff said he only arrived in Shanghai from Canton the previous day.

His Honour pointed out that the case had already been adjourned for three months to allow of the defendant producing certain books.

Mr. Steckmast said he only received instructions to appear for the defence by a letter received on the 15th June. He then wrote to his client asking for further instructions but at present had received no reply. He (Mr. Steckmast) had the books in his possession but was not aware of the details of the case, not having seen the summons or petition.

Plaintiff said he expected to remain in Shanghai for eight or ten days.

His Honour said he was averse to adjourning the case for another month. He could not keep the plaintiff waiting in Shanghai for an indefinite period and would allow an adjournment of six days during which time Mr. Steckmast must telegraph to his client.

At the inquest at Ipoh into the circumstances attending the death of Dr. Cross, formerly a medical missionary in China, it was shown that he had had financial worries and the verdict returned was that "death was due to an overdose of carbolic acid, taken while temporarily insane."

OPIUM STATISTICS.

Mr. A. M. A. Evans in the *North China Daily News* traverses the analysis of Mr. Clementi, recently published. Dealing with that portion of the report relating to opium smoking in Hongkong Mr. Evans writes:—

"It will be noted that as regards the population of the Colony, which includes the New Territories at Kowloon on the mainland, the figures for the New Territories are not available," although they have been under British control for a number of years! He goes on to calculate the percentages in Hongkong and arrives at the conclusion that the ratio is 12.942 per cent. of the entire adult population.

It will be noted at once that while he goes to a considerable amount of trouble in an endeavour to prove that the ratio in China Proper is at most only two per cent. of the entire population, his figures for Hongkong (where, as he says "we no longer deal with estimates but with accurate figures") indicate that the percentage is as high as 12.942 per cent, while the Opium Farmer, he tells us, puts it at ten per cent. Is it credible that the percentage of smokers in Hongkong is in fact much greater than in China Proper?

Is it likely that the incentive to smoke opium is much greater in Hongkong than in China, where the drug is much cheaper?

Mr. Clementi puts the average dose at 2 mace. If, as is probable, the average daily dose is 1 mace then the ratio of smokers in Hongkong is about 25 per cent.

If the percentage of smokers is in fact so much greater in Hongkong than in China then it would seem to stand to reason—if we are really, as Sir E. Grey and other statesmen have indicated, desirous to help China—that no time should be lost in suppressing the traffic in that portion of His Majesty's Dominions. Under the heading "Application of Figures to Divans" Mr. Clementi premises that "all smokers of dross opium are slaves of the habit;" "the large majority of persons who smoke prepared opium in divans are also slaves of the habit;" also "after the abolition of divans the Opium Farmer will continue, as heretofore, to possess the right of selling prepared opium and dross opium to the general public."

Here, then, we find Mr. Clementi going so far as actually to premise that many people addicted to the opium habit are enslaved by it. He is right—all smokers gradually become enslaved by the habit.

The Chinese census—upon which Mr. Clementi bases his figures is wholly *unreliable*. In taking the census in China, District Officials are supposed to count the number of houses and report the total—which may or may not be correct—to their chiefs, the Governors or Viceroy of Provinces. As far as I am aware the population of the Empire is calculated by estimating five human beings to each house. This is of course a very loose way of doing it, and it is, therefore, particularly noteworthy that Mr. Clementi has referred to the census of China in a manner calculated to lead the general public to suppose that it is taken in much the same way as estimates of population are computed in Western States. He offers no explanation, no enlightenment on the subject. Although Mr. Clementi attacks Mr. Theodore Taylor, M.P., for saying "the blackest spots are under British rule" yet his figures go far to prove that Mr. Taylor spoke the truth, there being (as he alleges) only 1 per cent. of smokers in China but 12 per cent in Hongkong. The folly, or rather the madness, of any attempt on the part of Great Britain to prevent the Chinese Government from giving full effect to the Anti-Opium edicts will be realized by those who are acquainted with the despotic system of Government in China. Whether we had seen fit to adopt a sympathetic policy or otherwise, the Chinese Government would of course continue the campaign against opium, and when it considered the time for very drastic measures had arrived would issue orders to all Viceroy, Governors and District Magistrates that on and after a certain date all persons, of whatsoever rank or station in life, who are found continuing the evil habit of opium smoking must be summarily decapitated in public as a warning to others. Thus, although the right to import Indian Opium continued despite China's appeal for help, the trade in it would be ultimately

extinguished and we would have lost a golden opportunity to act up to our precepts and insure to ourselves and to our successors a measure of power and prestige and commercial prosperity in the Far Orient such as no other nation will ever have an opportunity to acquire. The Government of the day has acted wisely, and I believe it to be a matter of paramount importance that it should be demonstrated here in Shanghai and in Hongkong and the Straits, in no uncertain manner, that Great Britain is determined to do all that lies in her power to assist China to efface as rapidly as possible from these regions the last vestige of a habit which makes for the degradation of all who are addicted to it. We should close all the divans, we should establish Opium Refuges, give habitual smokers a few months grace in which to give up smoking, and encourage the Chinese to establish Anti-Opium Societies in their cities, the suburbs, and all the villages under their control by setting the example in those under our control.

Owing to the impossibility of obtaining accurate returns of the production and movements of native opium, also owing to the unreliability of the so-called Census of China and the lack of records of the amount used daily by moderate and excessive smokers, I venture to assert that any one attempting to calculate the percentage of smokers in China must inevitably waste a great deal of valuable time in a vain attempt to accomplish the impossible. If Mr. Clementi's figures were correct, even then the opium habit affecting eight millions of our fellow creatures and their progeny is sufficient to call for the most energetic action to suppress the use of opium."

OPHTHALMIC DISEASE AMONG CHINESE.

Great progress, Dr. G. M. Harston reports, was made in 1907 in the treatment of ophthalmic diseases at the new ophthalmic department of the Tung Wah Hospital, and the appreciation of the department amongst the Chinese community is universal, and not confined to the limits of the Colony, as many patients have journeyed specially down to Hongkong for treatment and some have even come from remote villages up the West River.

Dr. Harston mentions that his last year's report led to steps being taken to combat the prevalence of infectious eye disease in the schools. Dr. Jordan was delegated to examine all Government schools while he (Dr. Harston) was requested to examine private schools. The percentage results of trachoma prevalence, he says, were "relatively enormous." In one school he examined it was almost 50 per cent. This has now been reduced almost to a minimum. Dr. Harston remarks:—"No more striking proof of the effect of an enlightened Government upon the welfare of the community could be instanced and I have reason to know that acting under medical advice the Government of this Colony has taken the necessary steps to wipe out this blot upon the health of the school children of the Colony. It is my sincere hope that the neighbouring and friendly Government of His Imperial Chinese Majesty will follow this most excellent example set by the Government of Hongkong, and thus initiate a successful measure for the prevention of blindness so common in all the great cities of China."

THE P. & O. FAR EASTERN SERVICE.

A Colombo paper states that it is intended in the early autumn to place at the disposal of passengers between Japan and Shanghai the Company's s.s. "Oriental," which will maintain a fortnightly service from Yokohama, connecting at Shanghai with the homeward mail steamers. The transit from Yokohama to Marseilles by these means will occupy 37 days, and to London 44 days, the local voyage—Yokohama-Shanghai—being performed in 80 hours. The s.s. "Malta" will be withdrawn from the China Mail Service in November, and assigned to the intermediate passenger lines to Calcutta or Japan, as occasion may require.

REFLECTIONS AT MACAO.

[BY "A GRIFFIN."]

A place of lost opportunities, a place of undeveloped potentialities, a place with a thrilling past and a pathetic present. Such is Macao. Rich in historic associations, it is full of interest to the visitor who goes there other than on gambling bent, and if he use his eyes to advantage he will see much to instruct and also much to sadden him in this Portuguese possession.

For of all sad words of tongue or pen

The saddest are these "It might have been."

Macao might have been the first city of the Far East. But it isn't. I do not mean to speculate as to the probable influence of Macao had the successors of the early navigators and traders acted in a manner worthy of their predecessors, but one can scarcely refrain from musing on the past as one sees the evidence of the solid work of the founders of the first European settlement in China. These daring adventurers not only braved the perils of the deep by sailing into seas that were little known, but they faced risks quite as great in forcing their presence on a people who disliked innovation and who could not view them with anything but distrust. What a striking scene that must have been when the first sturdy little vessel, not as big as some of our British coasting schooners, dropped anchor at this outpost of Far Cathay. One can imagine the excitement on board, the feeling of relief which must have succeeded the monotony of the weary months on that long voyage from Portugal round the Cape of Good Hope, and the joy at the prospect of setting foot on land again. Think too, of the scene on shore, the people gazing seawards in wide-eyed astonishment at the peculiar vessel and with wonderment at the strange-looking men who approached in the open boat, and the officials, just as bewildered, but displaying a calmness they did not feel. Think too, of the difficulties which had to be overcome at that first interview—the suspicions that had to be removed and the confidence that had to be established. The picture is indeed a striking one, worthy of the attention and skill of any artist.

We know these difficulties were overcome, and the early navigators were followed by the traders and the missionaries. The rivals of the Portuguese in the East, the Dutch, soon made their appearance, but the Hollanders did not displace them as they did in Ceylon and in the East Indies. The East India Company followed and Macao rapidly developed as a trading centre, the more so as Canton did not offer proper facilities for foreigners to do business. In the 18th century it was a flourishing place with vast possibilities. But its opportunities were neglected, and Macao is now only a city of reminiscences. The few well made roads, narrow, but rough and sore on the feet, point to the seriousness and enterprise of the early settlers. The substantial houses betoken the same good qualities, and the many churches and public buildings are lasting monuments of the energy and ability and devotion of these colonising Portuguese. The harbour also indicates their foresight and indeed the situation of the city—the centre for a rich agricultural and manufacturing district and the port for all South China—is eloquent testimony to their judgment. All these show what a good start the Portuguese had in Macao. And that is what saddens. Having done so well why should they not have done better? They have neglected their opportunities. They have allowed power to slip from their grasp. They have lived in the past and forgotten the present. Bygone splendours are only a dream. And the present is little better than a slumber. Macao reminds us of senility sleeping its life away in an arm chair. Its vigour has gone and it seems to have outlived its usefulness.

Yes, Macao had great advantages, a natural harbour, a good situation contiguous to Canton, an established trade, but what have these availed? Nothing. When Portugal fell away from its foremost place among the nations of Europe a natural consequence was its loss of power in the Orient. Macao was made to suffer. The resources that it had were drained

by a short-sighted government at Lisbon, and though it must long ago have entered on the "age that melts in unperceived decay" it was doubtless the advent of the British as neighbours that accentuated the downward movement of this once flourishing trade centre. The question naturally suggests itself—Will this decay be arrested? At present there is little prospect of that. Before the city can rise from its dreams of the past and enter on an era of usefulness there must be a great change. Either the city must pass into the hands of a more enterprising people or else the Portuguese must be regenerated. A new Governor, however enterprising and up-to-date his ideas may be, can do little by himself. Salvation must come from Portugal. Signs are not wanting that dissatisfaction with the existing state of things prevails in that country but whether a change of government will effect any improvement is doubtful. Still there can be no progress without discontent and one may indulge the hope that the discontent in the Iberian peninsula may lead to better things and that Portugal may return to an honoured place among the nations of the world and that the visitor to Macao will no longer be confronted with ruins which compel the thought expressed by Byron:

Shrine of the mighty, can it be
That this is all remains of thee?

CANTON-HANKOW RAILWAY.

THE PRESIDENT AND SHAREHOLDERS AT VARIANCE.

A couple of weeks ago the shareholders of the Canton-Hankow Railway Company wrote a letter to Sir Chen Tung Liang Shen requesting him to engage the destitute people who are now suffering from the disastrous flood as labourers to repair that section of the Fatsan Railway line, damaged by the flood and also, as a further measure of relief, to employ them to build the main line so as to enable them to earn a living. Sir Chen Tung Liang Shen declined to do so, saying in support of his refusal that there would be numerous bad characters amongst the people who would cause trouble amongst the labourers and delay the work of the company. In the meantime much correspondence has passed between the shareholders and the President who adheres to his original decision. The result is a rupture between them; the President's firmness in the matter roused the temper of the shareholders who yesterday wrote an unpleasant letter to the President of which the following is a literal translation:—

"We beg respectfully to inform you that with regard to our proposal re employing the distressed people as a means of relieving them, this question is a most serious matter at the present moment and may tend to affect the peace of the Kwong Tung Province. It is a matter in which tens of thousands of people are of one mind and voice begging you on behalf of the distressed people for your sanction to the above suggestion.

"The property and business of this Company are public property and business of the entire Kwong Tung Province and is a means for its people to earn their livelihood. It is not the private property and business of the civil engineers and a handful of people who compose the staff (of the Company). We trust that within the next five days you will take speedy measures to put our proposal into operation and if we do not receive your reply within the specified time that our proposal has really been put into operation, we shall draw up a statement of the crime of the directors and circulate it both in China and abroad. We shall write letters and distribute them to all the distressed people in the various districts. We shall appeal to the Board of Commerce and Board of Posts and Communications and at the same time petition to the Viceroy, Provincial Treasurer, Judge, and other high officials and will insist upon the Directors confronting those officials in the Courts to substantiate their statements in support of their refusal.

"We declare that we will not withdraw from our resolutions and we are not afraid of your power and influence. If we are unsuccessful in carrying out our object then we shall demand the return of the first call

on our shares from the Company and will make use of all of it to purchase food for the distressed people. Our feelings are painful and earnest and we are still in hopes that you will give the matter your serious consideration and come to a speedy decision."

THE DEVELOPMENT OF HANKOW.

The following is an extract from the report of Mr. F. A. Aglen, Commissioner of Customs at Hankow, on the trade of that port in 1907:—

During the past year building has been actively carried on in all the Concessions, and especially the older ones—a sure indication of the growth and prosperity of the port. Among public buildings commenced and projected are three municipal buildings for the Russian, German, and British Concessions respectively. The former British municipal building and an adjoining portion of the Bund have been transferred to the Imperial Maritime Customs, and the Custom House, situated on the Bund and midway between the city and Concessions, will in future be more accessible to the public and in touch with business quarters. The completion of the British and American Tobacco Company's cigarette factory on the German Concession should have a favourable influence on the company's Yangtze trade. Electric light has been installed throughout the British Concession and on the Russian and French Concessions by the Hankow Light and Power Company, and a similar service is rendered the German Concession by a Germany company, whose plant is now running.

Steady progress has been made on the Hankow Waterworks—begun in May, which are situated on the north bank of the Han, about 3½ miles above its junction with the Yangtze. The site has been protected by a bund on the river face and banks, the top levels of which are 53 feet above Custom House datum. The settling tanks are nearing completion and some progress has been made with the filter beds; work has also begun on the lower water tunnel leading to the intake well in the bed of the river. Altogether, about a mile of pipes has been laid. Some 2,500 men are employed on the works. When completed they will be capable of delivering 5 million gallons in a working day of 16 hours. There will be a reserve of 10 million gallons at the works, and the water-tower will contain 300,000 gallons at a height of 100 feet above the level of the Han Road. The process adopted is the most up-to-date for river water, consisting of aeration, sedimentation, and filtration. Orders have been placed for 6,000 tons of cast-iron pipes; three compressors, each capable of lifting 2,500,000 gallons 100 feet in 16 hours; three main pumps, each capable of lifting 2,500,000 gallons 250 feet in 16 hours; and electric plant for driving condensing machinery. The construction work, under the direction of Mr. H. St. George Moore, will be finished in 1909.

The railway to the North continues to attract traffic of all kinds—passenger and goods; in fact, there is at times an insufficiency of rolling-stock to bring down all the freight offered. The weekly express to Peking has been accelerated and now performs the through journey in 28 hours instead of 36 hours as heretofore. The cars are well-appointed and the journey can be made with as great a degree of comfort as is usually to be met with in other parts of the world. The line has been happily free from accidents during the year, with the exception of the derailment of a goods train in October, which caused some damage to rolling-stock and delayed the departure of the express for 24 hours. The likin receipts for rail-borne merchandise amounted to about 250,000 dollars. A much-felt want is better communication between the railway and the various steamer wharves in the Foreign Concessions. It is true that a siding has been run down to the bank of the Yangtze on the German Concession but negotiations for similar accommodation in the British Concession have so far been unsuccessful. The Railway Company possesses, of course, at its Gare Fluviale a well-constructed bund and plenty of track accommodation, but, except to land its own stores, it can provide shipping with no facilities there, and it will be some years before extension down river enables advantage to be taken of this property. Meanwhile any

arrangement which would bring railway and steamers more into touch would greatly assist the development of the port.

On the Yueh-Han, or, as some think it ought more properly to be called, Yueh-Wu, line, little progress can be reported, though there are signs that more active measures may soon be looked for on the Hunan section. The Ch'uan-Han, the third of the three trunk lines which will radiate from Hankow, and by far the most difficult and costly undertaking of the three, is also under discussion.

KULANGSU (AMOY) MUNICIPAL COUNCIL.

Minutes of a meeting of the Council, held at the Board Room, on the 30th June 1908.

Present:—Messrs. W. H. Wallace (Chairman), C. A. V. Bowra, A. F. Gardner, W. Kruse, W. Wilson, the Health Officer and the Secretary.

1 The minutes of the last meeting are read and confirmed.

2 A letter is read from the Senior Consul enclosing copies of correspondence which has passed between the Senior Consul and the Mixed Court Magistrate concerning the hours cattle are allowed out for grazing purposes.

It is decided to alter the regulation so as to read as follows:—

"From the 1st May to the 31st August, not before 7 a.m. or after 4 p.m., and from the 1st September to the 30th April, not before 8 a.m. or after 4 p.m."

In acknowledging receipt of this correspondence the Council desires to thank the Senior Consul for the terms in which he answered the Mixed Court Magistrate.

3 A letter is read from the Senior Consul informing the Council that the Consular Body approve of the resolutions passed at a special meeting of ratepayers, held on the 16th inst.

4 The Superintendent of Police reports that the following cases have been dealt with at the Mixed Court since the last hearing:—*Summons*.—Allowing cattle and pigs to stray 3, Throwing rubbish into a public drain 6. *Obstructing a public road* 1, *Obstructing a public drain* 2, *Obstructing the Police in the execution of their duty* 1, *Assault* 6, *Cruelty to children* 2, *Contempt of Court* 1, *Debt* 1, *Obtaining money under false pretences* 1. *Summary Arrests*. Being a rogue and a vagabond &c. 3, *Assault* 1, *Theft* 4, *Committing a nuisance* 1, *Embezzlement* 1.

(Signed) W. H. WALLACE,
Chairman.

By order,

C. BERKELEY MITCHELL,

Secretary.

SHELL TRANSPORT AND TRADING COMPANY.

The report for the year 1907 states that, including the balance brought forward, but after deduction of the cost of issuing the additional capital, management, legal, and other expenses, there is a credit to profit and loss account of £713,818. From this amount preference dividends and interim dividends (absorbing £265,000) have already been paid. The value of the shares held by the company in the Bataasche Petroleum Maatschappij and the Anglo-Saxon Petroleum Company (Limited) has been placed at the cost, as shown in the books of the company, of the properties, &c., for which the shares were received in exchange. Depreciation has been provided by the Bataasche Petroleum Maatschappij and the Anglo-Saxon Petroleum Company (Limited). In addition to the premium of £150,000 recovered on the 300,000 new shares issued during last year, the directors have passed to reserve account a further sum of £170,000, and to reserve fund they have appropriated £100,000. There remains a balance of £78,818, from which the directors recommend that a further and final dividend for the year of 5 per cent. be paid on July 1 (making 15 per cent. for the year), leaving the sum of £63,818 to be carried forward. They also state that up to date this year's trading has been satisfactory, and an interim dividend of 5 per cent. (i.e., at the rate of 10 per cent. per annum) will be paid on July 1.

THE FLOOD.

REPORT OF A COMMITTEE OF INVESTIGATION.

The Canton Committee which has been investigating the conditions in flood districts furnishes a lengthy report from which we make the following extracts:—

Six districts on the North River were seriously affected by the recent flood, namely, Sam Shui, Sz Wooi, Tsing Uen, Yingtak, Kuk Kong, and Yan Fa. Nam Hung Chow, Lok Cheung, Ue Uen, and Lien Chow were also flooded and considerable damage was done.

The Committee were afforded every possible facility for learning the condition of the flooded area during the ten days that they have been travelling through it. The officials of every grade, both civil and military, helped us in every way they could. First, the Viceroy placed at our disposal a gun-boat, which towed our house-boat to Tsing Uen City and there His Excellency Captain General Yang detailed a shallow draft steam launch to tow it to Yingtak. In each city the head officials readily co-operated with us in gathering information. We left blank forms as we proceeded up the river and collected them as we returned. The figures, as complete and accurate as we can make them are given below. A special Wai Uen, Mr. H. Lueh Yung Nien, accompanied us partly as an escort and partly to make investigation of the flooded districts and report to the Viceroy. We were very much aided in each district by the native Christians. A student from the Baptist Theological Seminary in Canton has spent several days walking through one section of Tsing Uen District for the purpose of learning the condition of the people and gave us much detailed information. The Wesleyan Missionaries at Shui Kwan, Messrs. Hutchison and Ellison, gave us much help and some details of the flood in the immediate vicinity of the prefectural city.

THE DESTRUCTION OF CROPS.

The most serious result of the flood is the destruction of growing crops. From the prefectural city of Shui Chow down the full length of the river, on both sides, extending back to the foothills which in some places are two or three miles away, the crops of all kinds are totally destroyed. In some cases where the river was swift, the growing crops together with the soil was washed away. In other places where the water was comparatively still the crops were flooded so long that they died, other places so much silt was deposited that they were buried. Only a few plants survived in the places covered by the waters.

THE DAMAGED DYKES.

Probably the next most serious result of the flood is the destruction of dykes. This concerns only Sam Shui, Sz Wooi, and Tsing Uen. The last named suffered most. Besides thirty severe breaks in the main river dykes, aggregating a length of over ten thousand feet, there were hundreds of breaks in the dykes along the smaller streams, which are just as essential to the protection of the cultivated lands. The labour and expense of restoring those dykes will be enormous and far beyond the resources of the people. But not even the next harvest will be assured unless the dykes are at least partially restored. A rise in the river of only a few feet from its present level would be fatal to a new crop in the exposed areas.

Another very serious result of the flood is that great areas of land have been covered by vast deposits of sand. It will be years in some cases before such land can again be used. Some is permanently desolated. A few plots of land may be benefited by the deposit of silt.

VILLAGES SWEEPED AWAY.

The destruction of houses has been enormous. Some villages were entirely swept away, not a vestige of anything remaining. In every town and hamlet along the whole length of the river there was more or less destruction. There has also been great destruction of household effects, stores of grain and other food stuffs. Many hundreds of animals used for food were swept away and there was also considerable loss of water buffaloes that are essential in the cultivation of the rice fields.

LOSS OF LIFE.

The loss of life was comparatively inconsiderable. In six districts the entire loss scarcely reached fifty. The water rose so gradually that the people had time to escape to the hills. At present there are no signs of an epidemic. But it is almost too much to hope that there will be none, and there is a great probability that many who escaped from the floods will be swept away by famine or by pestilence. Speedy and sufficient outside help is the only hope of saving many tens of thousands who live in the flooded districts.

THE RELIEF NEEDED.

What relief is needed? First immediately, food. There are approximately 250,000 people in the valley of the North River without food. This is a conservative estimate. There are over 130,000 in Tsing Uen District alone. The next harvest of rice cannot be gathered until about the middle of October. Many will not be able to plant for the next crop either because they have no seed or because the fields cannot be got into condition for planting. Some of the smaller crops of potatoes, beans, etc., can be gathered within two months.

Allowing five cents a day for each person, making no allowance for cost of transportation and administration, at least \$1,000,000 is needed in this section alone to save the starving.

A second, but scarcely less important need is seed. The Tsing Uen Magistrate estimates that 700,000 catties are needed in this district at once and the Yingtak Magistrate that his people require 200,000 catties. Using these figures as a conservative estimate yields 1,300,000 catties as the amount of seed urgently needed in the valley of the North River. The cost of this will be approximately \$65,000.

The cost of replacing the dykes in Tsing Uen District alone is estimated at over \$30,000 Taels. Sz Wooi and Sam Shui need at least 10,000 more, or say \$75,000 for the whole. Usually the cost of repairs on the dykes is apportioned among the villages in any given area, but it is absolutely impossible for the people concerned to reconstruct the dykes. As noted below it will most likely be impossible to combine relief of the starving with the work of restoring the dykes. The provincial government should of course help in this work. But we are persuaded that much speedier and more effective relief will be given if direct contributions be made to assist in reconstructing these dykes.

The nature and accessibility of the country together with the extent and character of the damage will determine the method of relief. These considerations naturally divide the country into three sections.

1. The country as far north as Fei Loi Tsz Pass including Sam Shui, Tsing Uen, and Sz Wooi Districts. This region is very accessible, it is flat and protected by dykes, hence rice and food distributions are practicable. The river is large and navigable by steam launches. Practically every large centre is accessible. The most natural form of relief is to give the destitute work repairing the dykes, paying them in rice and money, supplemented by free distribution in needy places. Rice can be easily brought in here, making rice distribution more practicable than money.

2. The country north of Fei Loi Tsz within reach of Yingtak. There are no dykes within this region. Beside the crops, the chief destruction was in buildings and farm animals (water buffaloes). It is not so accessible as District No. 1 but still can be reached by small launches drawing not over two or three feet of water, provided the water gets no lower than at present. Here people could be put to work on public improvements such as roads and bridges to be paid for in rice and money; there should also be free distribution of rice.

3. The country around and to the north of Shui Chau. The condition at this place is not seem so serious as in districts No. 1 and No. 2, yet there is need here too. The distance from Canton and Hongkong being great, and the river not navigable by steam propelled boats, make the carrying in of rice very difficult. Officials and missionaries there think enough rice can be secured from places near the destitute region and the best plan would be to send money to be distributed to the needy by the missionaries. This leaves two smaller sections still to be considered.

a. Up Lien Chow River. Owing to distance and shallow rivers money would be the best thing to send here. The Lien Chow missionaries could probably superintend the work.

b. There are many small villages between the two passes and also up small valleys elsewhere that will be hard to reach from either of these sections. Some provision should also be made for these.

ESTIMATES.

Using the estimates given by officials and reckoned from other sources of information, we give the following statistics to be as near the truth as can be obtained under the circumstances.

Number of lives lost:—Yingtak 6, Tsing Uen 7, Sam Shui 10, total 23. Number of people homeless: Yingtak 8,000, Tsing Uen 8,400, Sam Shui 12,000, total 28,400.

Number of people without food:—Kuk Kong 20,000, Yingtak 40,000, Tsing Uen 140,000, Sam Shui 30,000, Sz Wooi 10,000, total 240,000.

Percentage of crops destroyed—80 per cent. Next harvest 9 to 11 months, that is between three and four months from date.

Seed rice needed:—Yingtak 200,000 catties, Tsing Uen 700,000 catties, Sam Shui 400,000 catties, total 1,300,000 catties.

Dykes destroyed:—Tsing Uen, Main River 30 odd places, total length Chinese feet 9,330 feet. There are also a great number of breaks on the smaller streams.

Tributaries, 50 odd places—Sam Shui, 56 places, total length Chinese feet 10,600 feet. Estimated repairs 50,000 Taels.

North of Yingtak district we have no accurate figures, but missionaries and officials do not seem to think the situation serious there, but there is need of some help.

The above account does not aim to give an idea of the total destruction wrought by the flood. Ten millions of dollars would scarcely cover the loss of property. In giving the number of destitute we have aimed to include only those totally without resources. When it is remembered that all their neighbours suffered severely, it appears how vain it is to hope for much local relief. The situation will grow worse until the next harvest and the number of destitute will increase rather than decrease. If pestilence should break out the plight of the people will be fearful indeed.

Spasmodic, ill-conducted relief measures will do very little to improve the situation. The work should be entrusted to a carefully selected relief committee. The more speedily a beginning is made the easier it will be to deal with the situation.

FLOOD FUND BAZAAR.

At a largely attended meeting of the committee held on Monday afternoon at the Chinese Commercial Union's Rooms, Mr. Fung Wa Chun presiding, the chairman reported that over \$60,000 had been realized from the Bazaar, but the exact figures were not yet obtainable. It was decided that this money should go towards forming the nucleus of a new Fund to be called The Flood Relief Fund under the charge of the committee which conducted the Bazaar. It was arranged that the money realized by the Bazaar and relief fund was to be used to construct dykes or water walls in the affected districts, and that another appeal to the public be made for more assistance, as it would require much more than the \$60,000 on hand to do any effective good. It was further decided that the co-operation of the Tung Wa Hospital be solicited. Mr. Fung Wa Chun and seven others were elected from the committee to proceed to Canton by Tuesday evening's steamer to interview the Charitable Institutions, and secure their co-operation, and also to make arrangements with the Viceroy to have a gun boat to convey the members of the committee and others working on their behalf, such as architects &c., to the flood affected districts. A hearty vote of thanks was passed to the foreign and Chinese friends who had given donations towards the Bazaar. Votes of thanks to the Chairman (Mr. Fung Wa Chun) to the Vice Chairman (Mr. Ho Kom Tong) to Mr. Chan Kang U, who supervised the different stalls, to the Press, and to many others were passed.

July 25, 1908.]

CHINA OVERLAND TRADE REPORT.

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Already the following sums have been promised to the new Fund:—
 The Shing Woo Company ... \$1,000
 The Yan Woo Co. ... 1,000
 The Chap Shing Co. ... 1,000
 Mrs. Chan (mother of Mr. Chan Kang U, compradore to Douglas Lapraik & Co.) ... \$1,000

The committee beg to acknowledge with thanks the further following denations:—
 Hon. H. E. Pollock ... \$100
 Mr. B. Layton ... 25
 A Friend ... 50
 A. S. ... 10
 Mr. Wassamull Assomul, assortment of valuable lacquer ware.

The following correspondence relating to the West River Floods was laid before the Legislative Council yesterday:—

H.B.M. Consulate-General,
 Canton, July 2nd, 1908.

SIR,—In reply to Your Excellency's despatch No. 110 of June 26th which reached me on the 30th ultimo, I have the honour to state that I am not at present in a position to afford you any authoritative information concerning the floods and consequent famine in the valleys of the West and North Rivers.

The Governor-General, to whom I have applied for particulars of the areas inundated, the number of people rendered destitute by the floods and the extent of the damage done to the crops, has not as yet sent me any reply. He has, I understand, called for reports from the local officials in the districts affected.

At a recent meeting of British and American missionaries in Canton a committee was formed who have made arrangements to send three parties, consisting each of one foreign missionary and several native pastors, up the West, North and East Rivers respectively with instructions to investigate the conditions prevailing in those districts. I have been promised a copy of their report, which is expected in about three weeks time.

I have requested His Majesty's Consul at Wuchow to furnish me with a report on the state of affairs in the West River valley above Wuchow.

I shall not fail to transmit to Your Excellency all the information I am able to obtain from the above-mentioned sources.—I have &c.,

HARRY H. FOX,
 Acting Consul-General.

His Excellency,
 Sir F. D. Lugard, K.C.M.G., C.B., D.S.O.,
 &c., &c., &c.

H. B. M. Consulate-General,
 Canton, July 2nd, 1908.

SIR,—In continuation of my despatch No. 94 of to-day's date, I have the honour to enclose, for Your Excellency's perusal, copy of a letter just received from Taotai Wen Tsung Yao, Secretary to the Governor-General, together with a list in Chinese of the flooded districts in the West and North River Valleys.—I have, &c.,

HARRY H. FOX,
 Acting Consul-General.

His Excellency,
 Sir F. D. Lugard, K.C.M.G., C.B., D.S.O.,
 &c., &c., &c.

(Copy.)

Canton, 2nd July, 1908.
 Viceroy's Yamen.

DEAR MR. FOX,—As directed by you in your letter of the 30th ultimo, I send you herewith a list of the flooded districts in the West and North River Valleys, as reported to the Viceroy by the local Magistrates and the Deputies sent out by His Excellency to investigate the condition of the flooded districts.

All the crops in these districts have been completely destroyed and about a million people are in a destitute condition which will last until the next crop comes round again about four months from now.

The Canton Government has sent a deputy with money and provisions to each of the flooded districts to co-operate with the local magistrate to give the sufferers as much relief as possible.

The charitable institutions are also very busy with their relief work. They have sent

agents with provisions to all the flooded districts.—Yours sincerely,
 (Signed) WEN TSUNG YAO.
 His Honour,
 Consul-General Fox.

H.B.M. Consulate-General,
 Canton, July 6th, 1908.

SIR,—I have the honour to enclose for Your Excellency's information copy of a report from His Majesty's Acting Consul at Wuchow on the subject of the recent floods in the West River Valley.—I have, &c.,

HARRY H. FOX,
 Acting Consul-General.

His Excellency
 Sir F. D. Lugard, K.C.M.G., C.B., D.S.O.,
 &c., &c., &c.

(Copy.)

H.B.M. Consulate,
 Wuchow, July 2nd, 1908.

SIR,—In reply to your telegram of yesterday's date I have the honour to inform you that I do not consider it likely that there will be a famine or even any great scarcity in this Province, except in the event of the failure of the autumn rice crop. The export of rice, which was the principal cause of the great famine nine years ago, is prohibited and in view of the damage which the crops of the Province have suffered there is no probability of this prohibition being removed, though the Canton Viceroy has telegraphed asking that this should be done.

In the neighbourhood of Wuchow and all the way up the Fu River great damage has been done; some eight-tenths of the rice has been ruined and much hardship is ensuing. In many other parts, however, the damage suffered seems to have been small; for instance at Nanning at the height of the flood the fields were still some 25 to 30 feet above the water. The crops in that region do not appear to have suffered at all.

The whole city of Wuchow was under water, but except in a few cases the houses have not suffered. Considerable quantities of piece goods and other merchandise have been ruined, but the principal damage has been suffered by the *paif* and junks in the Fu Ho. Two big *paif* were sunk and a number of cargo boats mostly loaded with firewood; also flower boats and sampans. I should think the total number of lives lost must be somewhere between twelve and twenty. It was first reported that a considerable part of the city of Kueilin had been carried away but this was much exaggerated. I understand, however, from a Catholic missionary of that city that there are suburbs and villages in the neighbourhood which must have suffered severely.—I have, &c.,

(Signed) H. I. HARDING.

HELP FROM MACAO.

Our Macao correspondent writes that a public subscription towards the relief of the distress in the West River districts has been started in that Colony with a donation of \$5,000 by the Government. Some of the charitable institutions have subscribed \$500 each. At present the fund amounts to about \$8,000. Some amateur performances are to be given at the Macao Club in aid of the Fund, and a committee representing the Chinese population has asked the Government to allow them to hold a Bazaar with incidental theatrical entertainments &c., in aid of the relief fund.

At a meeting of the Chinese Y.M.C.A. and Chinese Churches Committee held, at the Y.M.C.A. rooms on the 20th inst. it was decided to pay over to the Flood Relief Fund Committee, the balance remaining on hand, amounting to over \$300, from the subscriptions raised towards the Relief Fund by the United Chinese Christian Churches, and Chinese Y.M.C.A.

In the Veterinary Surgeon's report for 1907 it is mentioned that the new enterprise of pig feeding by the Hongkong Milling Company has only had a qualified success owing principally to the difficulty of avoiding infectious disease. The breeding of European pigs was tried at Castle Peak farm but has been only moderately successful.

HONGKONG GENERAL CHAMBER OF COMMERCE.

Minutes of a monthly meeting of the General Committee held in the Chamber Room, St. George's Building, on Monday, the 13th July, 1908, at 4 p.m. Present:—Messrs. D. R. Liew, (Chairman), C. Brodersen, J. W. C. Bonnar, G. Friesland, J. B. M. Smith, E. Shellim, H. E. Tomkins, Hon. Mr. Murray Stewart and Mr. E. A. M. Williams, (Secretary).

COMMITTEE.

The CHAIRMAN welcomed Mr. C. Brodersen upon him taking his seat as a member of the Committee.

The Hon. Mr. H. Keswick resigned his seat on the Committee owing to his departure from the Colony, and a reply was sent to him conveying the thanks of the Committee for the valuable services he had rendered to the Chamber during the past year.

MINUTES.

The Minutes of the monthly meeting and of the special meeting held on the 16th and 26th May, respectively, were read, and confirmed.

OPIMUM QUESTION.

The following acknowledgement from the Government was read:—

Colonial Secretary's Office,
 21st May, 1908.

SIR,—I am directed to acknowledge the receipt of your letter of the 19th instant covering a resolution passed by the Committee of the Chamber of Commerce on the 16th instant on the subject of the closing of Opium Divans in Hongkong.

2. In reply, I am to inform you that a copy of the Resolution will be forwarded to the Secretary of State for the Colonies for the consideration of His Majesty's Government.—I am, &c.,

F. H. MAY, Colonial Secy.

The Secretary,
 Hongkong General Chamber of Commerce.
 LICENCE FEES ON LIGHTERS AND CARGO BOATS.
 The following letter from Messrs. Jardine Matheson & Co., Ltd., was read:—

Hongkong, 27th May, 1908.

Dear Sir,—On the 30th ultimo a joint letter was addressed to the Colonial Secretary by the owners of foreign lighters protesting against the recent increase of licence fees.

A reply has been received from the Colonial Secretary which in the opinion of the Signatories to the protest is not considered satisfactory and it has been agreed that the matter should be laid before your Committee with a view of soliciting their assistance in this connection.

For reasons expressed in the correspondence, copies of which are enclosed, it is considered that this matter as affecting Shipping interests is one of more than ordinary importance; we trust therefore that your Committee will afford us all possible assistance.—We are, &c.,

JARDINE MATHESON & Co.,
 To the Secretary.

Hongkong Chamber of Commerce.

(Copy.)

Hongkong, 30th April, 1908.

SIR,—With reference to the recent heavy increase in the licence fees for cargo boats and lighters, notified in the Government Gazette of the 20th ultimo, we, the undersigned owners of private lighters beg that, for reasons hereinafter expressed, the decision of the Government to double the tax already levied on such craft be reconsidered.

We venture to say that it is not equitable, even though it were done previously, to place private craft (acquired for the sole purpose of carrying on our respective businesses, and which under no circumstances ply for hire) on the same footing as Chinese owned boats, the daily hire of which is regulated by Government Tariff.

In one case the usefulness and earning power of the lighters is limited to the requirements of our trade, whereas in the case of the Chinese owned boats, the return is governed by the energy and resourcefulness of the licensee. It is, we think, generally admitted that Native Cargo Boats, paid for to a large extent by the Typhoon Relief Fund, have since the typhoon of September 1906 demanded alto-

ther unreasonable terms, thus greatly enhancing their earnings. The position of many foreign-owned lighters is entirely different; after the catastrophe of September 1906 several European firms, owing to the scarcity of native craft, were forced to purchase at excessive prices, lighters from other ports. It is perhaps unnecessary to add that the benefits resulting from the prompt acquisition of such craft were by no means confined to the respective owners of same, inasmuch as the lighters provided at the time of scarcity a means of carrying on business of vital importance to the Colony generally, i.e. the delivery and shipment of cargo.

Now that matters in connection with the handling of goods have assumed a normal state, the lighters which during the crisis were indispensable both to shipowners and merchants alike, have now become a source of heavy expenses to their owners, and any increase to such is viewed with concern. Having now laid the position clearly before you, we trust that the Government will see the reasonableness of our contention, that, the increase of licence fees, if necessary, should be confined to such craft as ply the harbour for hire, and we would ask that the ordinance be amended accordingly.—We are, &c., Your obedient servants,

JARDINE, MATHESON & CO. LTD.,
BUTTERFIELD & SWIRE,
F. J. ABBOTT, Super. P. & O. S.N. Co.
SHEWAN, TOMES & CO.,
To the Colonial Secretary
Hongkong.

Colonial Secretary's Office,
Hongkong 20th May, 1908.

Gentlemen:—I am directed to acknowledge the receipt of the letter dated the 30th ultimo, signed by yourselves and certain other shipping firms asking that the decision of the Government to increase the Licence Fees for Lighters that do not ply for hire, may be reconsidered.

2 In reply, I am to point out that in the past no distinction has been made in the matter of licence fees between cargo boats that ply for hire and lighters that do not; that the fees now imposed are not considered excessive and that the Government regrets that it cannot see its way to reduce them.—I am, &c.,

F. H. MAY,
Colonial Secretary.
Messrs. Jardine, Matheson & Co., Ltd.

Hongkong, 21st May, 1908.

DEAR SIRS,—With reference to our letter to the Colonial Secretary of the 1st May, we have now to enclose for your information copy of his reply to same, dated 20th instant, which cannot be regarded as satisfactory. We think that copies of correspondence might, with advantage, be laid before the local Chamber of Commerce, but before taking these steps we await an expression of your views.—We are, &c.,

JARDINE, MATHESON & CO., Ltd.
Messrs. the Peninsular and Oriental Steam Navigation Co.
Messrs. Butterfield & Swire,
Messrs. Shewan Tomes & Co.,
Messrs. Jardine, Matheson & Co., Ltd.,

Hongkong, 22nd May, 1908.

DEAR SIRS,—Replying to your letter of yesterday with reference to the question of Fees on Foreign Lighters, we quite agree with you that the reply of the Colonial Secretary is not satisfactory, and we also think with you that the correspondence might with advantage be laid before the local Chamber of Commerce.

The Colonial Secretary purposely evades the point in our letter: we are quite aware that no distinction has been made in the past between cargo boats that ply for hire and lighters that do not, but our main point is that we consider the new fees altogether excessive for the private craft in question, with their limited usefulness, and we are unable to recognise any reason for the increased charge suddenly brought into force.—We are, dear Sirs,

Yours faithfully,
BUTTERFIELD & SWIRE,

Messrs. Jardine Matheson & Co. Ltd.
Hongkong, 22nd May, 1908.

DEAR SIRS,—In reply to your favour of yesterday's date handing copy of letter addressed to your good selves, we approve of placing

copies of the correspondence on this subject before the local Chamber of Commerce.—We are, dear Sirs,

Yours faithfully,
SHEWAN, TOMES & CO.,

Peninsular & Oriental Steam Navigation Co.
Hongkong, 28th May, 1908.

Messrs. Jardine, Matheson & Co. Ltd.,
DEAR SIRS—I beg to acknowledge the receipt of your letter of the 21st instant enclosing copy of the Government's reply to our letter of the 31st ultimo.

It appears to me that the answer given by the Government is practically no reply to our petition.

Because no distinction has been made in the past between Cargo Boats that ply for hire and those that do not, it would appear that a time has arrived when some distinction might be considered necessary on taxes being increased one hundred fold.

A difference in taxation is made between vehicles that ply for hire and those that do not and this seems to apply in our case.—I am, &c.,

F. J. ABBOTT,
Acting Superintendent.

After some discussion it was decided that the Secretary should draft a reply to the Government supporting the views of the Shipping Companies interested in the matter with a view of obtaining, if possible, the concession asked for by such Companies in regard to private lighters not plying for hire.

RE TINNED LARD AND TANNING INDUSTRY.
Reply to Government was read:—

Chamber of Commerce,
Hongkong, 3rd June, 1908.

SIR,—I am directed to inform you in reply to your letter of 1st May, No. 9454/1907 that several merchants, of this Colony have been approached by my Committee with reference to His Excellency's enquiry whether or not any merchant would be prepared to undertake the export, under Government guarantee, of tinned lard.

The result is sufficiently encouraging to justify my Committee in asking His Excellency to pursue the matter further by approaching the Government of the Philippines, as outlined in the 3rd paragraph of the memoranda accompanying the letter under reply, with the object of obtaining such information as will enable them to place definite knowledge of the Regulations governing the importation of lard into the Philippines at the disposal of the Mercantile Community.

My Committee desire you to convey to His Excellency their thanks and appreciation of his efforts to foster the trade of the Colony.—I am, &c.,

E. A. M. WILLIAMS,
Secretary.

Hon. Mr. F. H. May, C.M.G.,
Colonial Secretary.

Regulations accompanying letter under reply are returned herewith as requested.

Colonial Secretary's Office,
Hongkong, June, 2nd 1908.

SIR,—With reference to my letter No. 9454/1908 of the 1st ultimo, I am directed to transmit for the consideration of your Committee the enclosed copy of a minute by His Excellency the Governor dated the 31st ultimo, and to inquire whether in the opinion of your Committee, there is a possibility of developing the Singapore Market for Lard as well as that of the Philippines, and whether it would be possible to establish in Hongkong a tanning industry for hogskins—I am, &c.,

F. H. MAY,
Colonial Secretary.

The Secretary,
Chamber of Commerce.
Enclosures were laid on the table.
It was decided to await the further particulars from the Government in this matter, and to then circulate the whole correspondence amongst the members of the Chamber.

COLOUR OF TIME BALL AT KOWLOON.
The following correspondence was read:—
Colonial Secretary's Office,
25th June, 1908.

SIR,—With reference to your letter of the

2nd October, 1905, in which a suggestion, which has been acted upon, was made that the Time Ball at Kowloon should be painted black instead of red, I am directed to enquire whether the colour that has been adopted is satisfactory to masters of vessels using the port and others. If it is not, I am to suggest that white might render the ball more distinguishable.—I am &c.,

F. H. MAY,
Colonial Secretary.

The Secretary,
Chamber of Commerce.

Hongkong, 8th July, 1908.

SIR,—Referring to the Colonial Secretary's letter of 25th ultimo, to your good self, we have made enquiries of masters of the China Navigation Company's steamers using this port and find that they consider the present colour—black—satisfactory, whereas white would be practically indistinguishable at a distance. We would mention, however, that the masters unanimously suggest that the height to which the ball is hoisted should be increased by say 12 feet, for at present the ball is sometimes obscured at the critical moment to distant steamers by the sail of a passing junk or by masts of other steamers.—We are, &c.,

BUTTERFIELD AND SWIRE.

E. A. M. Williams, Esq.,

Secretary Chamber of Commerce.

The Secretary forwarded a copy of this letter to the Colonial Secretary.

TREATY BETWEEN UNITED KINGDOM AND
GOVERNMENT OF SERBIA.

The following correspondence was read:—
Colonial Secretary's Office,
26th June, 1908.

SIR,—I am directed to transmit for the consideration of the Chamber of Commerce the enclosed copy of a despatch from the Secretary of State for the Colonies, dated the 27th May, 1908, in which Lord Crewe proposes to cause the adherence of this Colony to the Treaty of Commerce between the United Kingdom and Serbia which was ratified on the 31st of last March, to be notified to the Servian Government, on or about the 1st January next, unless he is furnished in the meantime with a statement of objections to such a course.

2. His Excellency the Governor will be glad to know whether, in the opinion of the Chamber, any such objections exist.—I am, &c.,

F. H. MAY,
Colonial Secretary.

The Secretary,
Chamber of Commerce.

Chamber of Commerce,
2nd July, 1908.

SIR,—I have to acknowledge the receipt of your letter of the 26th ultimo inquiring whether any objections exist against the proposed adherence of this Colony to the Treaty between the United Kingdom and the Servian Government ratified on 31st March, 1908.

In reply I am directed to state that my Committee are unaware of any direct trade existing between Serbia and this Colony, and as the Treaty can be terminated, so far as this Colony is concerned, on giving 12 months notice to that effect, they consider that no clauses are contained therein to which this Colony can take exception and refuse adherence thereto.

I return herewith the copy of the Treaty and Circular accompanying it.—I have &c.,

E. A. M. WILLIAMS,
Secretary.

Hon. Mr. F. H. May, C.M.G.,
Colonial Secretary.

The Chetties and Chetty community of Singapore are suing the "Straits Times" Press, Limited, as the proprietors of the "Straits Times" newspaper, to recover \$50,000 damages for an alleged libel printed in the "Straits Times" of January 21 last. The case was opened before the Acting Chief Justice, Mr. A. G. Law, at the Supreme Court, on the 14th inst., but on the following day the further hearing had to be adjourned owing to the illness of one of the Counsel for the plaintiffs.

SUPREME COURT.

Friday, 17th July.

BEFORE THE CHIEF JUSTICE
AND A SPECIAL JURY.THE ACTION FOR ALLEGED WRONGFUL
SEIZURE.

The case in which Leung Lai Nam sued Reuter, Brockelmann and Co. claiming damages for wrongful seizure of premises, was continued.

His Lordship, after explaining to the jurors the functions of a judge in summing up, remarked that their function was to bring to their decision all their ability and their commercial knowledge. They were to take most scrupulous care in banishing all personal pre-dilections or preconceived ideas. It was impossible in the eye of the law to separate the branches of the defendant firm, Messrs. Reuter, Brockelmann and Co. were liable for the acts of their branches whether in Hongkong or Canton. The jurors would wonder why such an action as this should be brought in a British Court at all, and why a British jury should be troubled with what people have chosen to do in Canton. The principle of British justice was that practically all actions were triable in a British Court. The plaintiff might be in Saigon, the defendant in Nova Scotia and the cause of action in Vladivostok, but if certain conditions were fulfilled that action might be brought in this Court. There were to this rule some three or four exceptions, and the first points with which he had to deal were on questions concerning the jurisdiction of the Court. These points were taken by Sir Henry Berkeley, and if Sir Henry would pardon him for paying a compliment, they were taken with that admirable courtesy which always distinguished him, and if the same gentleman would still further pardon him, they displayed learning of some of the most intricate points of English law. If he had not himself devoted a considerable amount of time to this subject it would have taken him much longer to have dealt with the points. When an action was brought in England for what was called tort, for wrong committed in a foreign country, it should be unlawful by the laws of both countries. In the present instance Chinese law was not applicable, but German law. Even assuming this action to be only foreign, he thought damages could be recovered for the wrongful shutting up of premises. There was also involved in this action the seizure of personal property. The legal process by which the seizure had been effected must be produced in order that the Court might see whether it was right or wrong. If not produced, the plaintiff was entitled to a verdict and nominal damages. He did not think it could be said that the seizure of the goods was merely consequential on the seizure of the house. From a practical point of view he would say that the house was seized in order to get the goods. For some reason or other the warrant had not been produced, and they had no means of judging whether it was right or wrong. On that ground the plaintiffs were entitled to judgment, but that would only carry nominal damages. His Lordship then proceeded to explain what he thought happened in connection with the action of the German Consul, concluding by remarking that consuls were made to be abused by one party or the other. He did not think there was any better abused officer in the wide world than a consul.

Proceeding to deal with the books of the firm, his Lordship remarked that he did not like the suggestion thrown out that they were fabricated. Fraud must be proved up to the hilt, and he did not think it had been proved. Sir Henry Berkeley appealed to a learned person who was not exactly a legal authority. He quoted Mrs. Gamp and Mrs. Betsy Prig, and although it was very pertinent it was not serious argument.

Dealing with "tong" names, his Lordship said that if a man had five of these names, that would not destroy his right of partnership. It was perfectly true that "tong" names were sometimes used for purposes of secrecy as regarded creditors of a firm, because Chinese law of partnership did not correspond with ours.

His Lordship, after an address of two hours and a half, directed the jury to find a verdict

for the plaintiffs on the question of trespass estimating the damage according to the principles he had laid down. Then he provided the following points for their consideration:— Were the nine persons mentioned in the case partners in the Kwong Hing Cheong? Were the other three men partners in the Chung Loong? Did the defendants act with reasonable and probable cause in alleging that they were partners when they wrote the letter of February 21st? Does this constitute a libel?

At 2.15 p.m. the jury went into the jury room to consider their verdict, returning 55 minutes later when the foreman, Mr. R. Shewan, announced that they had agreed upon their verdict, but that there were different majorities on different points.

On the ground of trespass they returned a unanimous verdict for plaintiffs, and awarded \$1 damages.

They agreed that the nine persons were not partners in the Kwong Hing Cheong by a majority of five to two.

They agreed that the three, Wong Hing-tong and two others, partners in the Kwong Hing Cheong, were partners in the Chung Loong on February 21st, by a majority of six to one.

They agreed, by a majority of four to three, that the defendants acted with reasonable and probable cause in alleging on February 21st that these three men were partners in the Chung Loong.

They were unanimous in finding that this did not constitute a libel, and that there should be no damages.

After argument as to costs his Lordship reserved judgment. He exempted the jury for two years from civil duties and thanked them for their attendance.

Mr. Shewan—The jury feel it their duty to draw the attention of your Lordship to the very objectionable system pursued by Chinese firms of concealing the identity of their partners in their accounts by the use of fictitious designations or "tong" names, and are of opinion that firms that keep their books in this manner should not be allowed the benefit of the Courts of this Colony.

His Lordship directed the Deputy-Registrar to note the representation, and the Court adjourned.

IN SUMMARY JURISDICTION.

BEFORE MR. H. H. J. GOMPERTZ (ACTING
PUISNE JUDGE).

DISPUTE ABOUT GRANITE.

In the case in which Sang Lee sued Li Ping to recover \$500 for damages for the conversion of a quantity of broken granite belonging to the plaintiff and stored on Crown land, his Lordship delivered judgment for Sang Lee for \$159.54.

Monday, 20th July.

IN CRIMINAL JURISDICTION.

BEFORE MR. H. H. J. GOMPERTZ
(ACTING PUISNE JUDGE).

JEALOUSY AND REVENGE.

Wong Muk was indicted on three charges—intent to murder; intent to maim, and intent to do bodily harm. The Attorney-General (Hon. Mr. Rees Davies), instructed by Mr. Denys, from the Crown Solicitor's office, conducted the prosecution, prisoner being undefended.

The jury was empanelled as under: Messrs Geo. Moffat (foreman), James Punchon, Olaf Stoltz, W. Waterhouse, Mr. A. A. Souza, J. E. Gibson, H. S. Holmes.

The Attorney General said the gist of this offence was the intent with which it was done, and it was customary to frame the indictment with several counts so as to get at the real intent. The circumstances were as follows:—On the 30th May prosecutor, who is a carpenter, along with two friends visited a brothel in Kennedytown, where they remained for two hours. On leaving the place they stood outside talking for a little while when a band of men came running down the street crying "a." Prosecutor, who was standing with his back to them, did not see them approach. Suddenly he was stabbed in the back from behind. On looking round he saw

the prisoner attempting to conceal himself under the verandah. There were others with him whom the prosecutor did not identify. One of his friends corroborates the story and speaks distinctly to seeing the stab inflicted by the prisoner with a knife. Prosecutor's comrades ran off and were pursued by some of the men. One of the women of the house where the three men had been also saw the occurrence, saw the prisoner stab the prosecutor in the back and saw the two men run away pursued by the others. As regards the motive of the crime, the jury would probably come to the opinion after hearing the evidence that it was jealousy or revenge. Apparently one of the other men had asked a girl in the house to go with him but she declined and went instead with one of the trio. The wounded man was taken to the Government Civil Hospital where it was not expected he would recover, the wound being an inch and half long and just between the ninth and tenth ribs.

Evidence was called at length, and at the close of the case for the Crown, prisoner put in a statement to the effect that in the struggle the prosecutor received the stab from one of his own friends, which was meant for him (the prisoner).

The jury unanimously found prisoner guilty on the third count, intent to do grievous bodily harm.

His Lordship—I entirely concur with the finding of the jury. The wounding was a very serious one and it is fortunate that the prosecutor is alive. I sentence prisoner to seven years' hard labour.

Tuesday, 21st July.

IN CRIMINAL JURISDICTION.

BEFORE THE CHIEF JUSTICE (SIR
F. PIGGOTT.)

ALLEGED MANSLAUGHTER.

Lau Keung and Un Wai Tak were charged with murder. The Attorney-General (Hon. Mr. Rees Davies), instructed by Mr. Denys, from the Crown Solicitor's office, prosecuted, and the Hon. Dr. Ho Kai, instructed by Mr. H. K. Holmes, defended.

The jury, was empanelled as under: Messrs. P. Tester (foreman), E. Humphreys, F. G. Carroll, G. Beck, H. Rapp, D. Silas, A. A. C. Berlinger.

The Attorney-General said the two prisoners were before the jury on a charge of wilful murder, but he proposed in the exercise of his discretion and having considered the evidence which he would submit to them to invite the jury to return a verdict upon the charge of manslaughter only. On the 15th June the deceased man came from Canton and next morning went to the house of a friend, a clansman, where he had his morning meal. Deceased asked his clansman to fetch the first defendant who owed him money. Lo Nam, his clansman, went out and returned with the first defendant. A conversation took place as to some loan and the two men went out together. About an hour later the deceased returned alone and made a communication to Lo Nam as to what had taken place and intimating that the first defendant was to come back in the course of the afternoon. Deceased then prepared some document in expectation of the return of No. 1, but as the latter did not return as promised the deceased and his friend went out to look for him after the evening meal. Ultimately they met him in Des Voeux Road Central and the three returned to the shop of Lo Nam. A conversation between the deceased and No. 1 as to the loan which the latter owed the former took place, and finally the first defendant said he would borrow money at a place in Des Voeux Road West. Thither they went, Lo Nam remaining outside while the other two went upstairs. After an interval of half an hour the first defendant and another man came down and made a communication to Lo Nam as to whether he really owed the money to the deceased or not, to which Lo Nam replied that he knew nothing about it. What took place in the house was rather important. A woman who resides on the third floor would tell them that she saw the deceased and the first accused enter the room together followed a little later by the second accused. The

first accused and the deceased quarrelled, the latter alleging that the former owed him money. Deceased was the first to strike or lay hands on the other and then both men fought. The second defendant joined in the fight, and in the words of the woman "they were chasing one another round the room." Blows were exchanged and the deceased ran out on to the verandah and jumped over. Another witness was the master of a boarding house who would tell the jury that he saw No. 1 standing in front of the door to prevent the deceased from going back into the room while the other man was fighting with the deceased. Then he saw the deceased go over the verandah. Whether he was pushed or not the witness could not say. He ran downstairs to help the injured man and, the police were sent for. The two men were taken to the Police Station where two documents were found on No. 1. These documents, the prosecution submitted, were the property of the deceased and related to the mortgage. The deceased spoke to his friend but died soon afterwards. The theory of the Crown was that if this man was in bodily fear and had a well grounded apprehension that further violence would be done to him as would endanger his life, prisoners would be answerable for the consequences of his fall as much as if they had thrown him over the verandah themselves.

When the case for the Crown was closed, the jury found there was no evidence on which they could convict and the prisoners were discharged.

Wednesday, 22nd July.

IN CRIMINAL JURISDICTION.

BEFORE THE CHIEF JUSTICE (SIR F. PIGGOTT).

UTTERING A FORGED BANK NOTE.

Two Chinese, foks in a money changer's were charged with uttering a bank note knowing it to be false. The Attorney-General (Hon. Mr. Rees Davies, K.C.) instructed by Mr. Bowley, Crown Solicitor, who was assisted by Mr. E. P. Hett, of Messrs. Brutton and Hett, appeared to prosecute, and Mr. M. Slade, instructed by Mr. S. Dickson, of the office of Mr. R. A. Harding and Mr. Stevenson, of Messrs. Deacon, Looker, and Deacon, defended.

The following jury were empanelled:—L. Plummer, G. Beck, A. J. M. Thiesen, E. Humphreys, J. F. Millar, S. R. Ismail, and C. Scott.

The Attorney-General, in outlining the case for the Crown, said that the prisoners were charged with uttering a forged bank note for the sum of \$100. The two prisoners were the cashier and the runner respectively of a Chinese money changer's shop, called the Shui Cheong at 116 Queen's Road Central. The prosecutor was the owner of a salt junk trading between Fokien province and Canton. He arrived in Hongkong for the first time in his life on the 23rd May last and went to his friend Shi Hing. As he could not talk Cantonese Shi Hing went round with him to assist in clearing his junk at the Harbour Office and to do other matters. Afterwards the prosecutor returned to Canton but came back to the Colony on the 26th May with a draft for \$700. Shi Hing went out with him to the money changer's shop where the prisoners were employed in order to cash the draft. They saw the first and second prisoners behind the counter and Shi Hing presented the draft to the first man and asked for bank notes. The first prisoner counted out the notes and handed them to the second who after counting them also handed the bundle over to Shi Hing, who counted them himself. Shi Hing could not read English and was, of course, guided by the Chinese characters on the notes. The notes consisted of one \$100 note, one \$50, several tens and fives. As a matter of fact the note which appeared to be for \$100 was a five dollar note which had been altered to a hundred. Shi Hing and the prosecutor then went back to the shop where Shi Hing was employed. The prosecutor afterwards met the crew of his junk and they had tiffin together. After the tiffin Shi Hing handed a letter and telegram to the prosecutor, and as the result of these he left for Fokien to get a cargo of salt. It was necessary

to cash the notes into Canton silver and Shi Hing, taking a coolie with him, went to the Yau Kee shop in Bonham's road where he had done business before, and after agreeing as to the premium to be received, Shi Hing took the notes out of the handkerchief where he kept them since the morning. The attendant saw that the note purporting to be \$100 was a forgery and he drew Shi Hing's attention to it. On learning this Shi Hing wrapped up the notes in his handkerchief and proceeded to the Shui Cheong shop where he had received the notes in the morning. On the way however he met his master to whom he mentioned the matter and on his suggestion they entered the On Loong Bank where the note was shown and declared to be a forgery. On arrival at the Shui Cheong shop Shi Hing showed the note to the first prisoner who denied that he had given him a hundred dollar note at all that morning. The second prisoner came up at that time and said the \$100 note they had was on the Hongkong Bank and not on the Chartered Bank, so that the note produced could not have been obtained there. Shi Hing insisted that he had received the note there and a quarrel took place. A crowd gathered and a lukong coming on the scene arrested Shi Hing and took him to the Police Station, telling the two men to follow. At the Station Shi Hing was searched and \$600 was found upon him. Shi Hing's master and the prosecutor appeared and ultimately the two defendants were charged with uttering a false bank note. The Attorney-General then described the note, on which the figures 100 appeared in the centre and the same figures appeared in the corners, though on the back the figure five appeared in several places. The Chinese characters had been altered. The forgery was calculated to deceive the Chinese but from the English point of view the forgery was a clumsy one. It was unlikely that Shi Hing would have gone to three money changers and tried to pass the note if he had known it was a forgery. He would have tried to dupe some one less accustomed to handling notes than money changers. He thought the jury would be satisfied that the note was obtained from the prisoners as alleged and that they had guilty knowledge, that they knew the note was forged when they attempted to pass it.

Evidence was then called for the prosecution. Shi Hing was examined at length and recognised the note produced as the one which he had received from the prisoners and which had been declared false.

The hearing was adjourned.

Thursday, 23rd July.

IN CRIMINAL JURISDICTION.

BEFORE THE CHIEF JUSTICE (SIR F. PIGGOTT).

THE BANK NOTE CASE.

The trial was resumed of Tong Nam and Ng Chun for uttering a forged bank note.

Mr. Slade cross-examined Shi Hing, who was said to have received the altered bank note from the prisoners. He said that when he returned to the Shui Cheong money changer's shop in the afternoon he had received a false note from them and wished to have it changed. His master, who was present, went for the prosecutor, and during his absence the police arrested him.

The case for the defence was opened and the hearing adjourned.

Mr. Frank Browne, the Government Analyst, in his report for 1907 remarks:—"A good deal of care is taken by retailers that the quality of their liquors answers the legal requirements. A large quantity of brandy being deficient in ethers, was returned to the shippers. As the question as to 'What is Whisky' has not yet been decided, it has not been considered advisable to recommend any prosecutions with regard to this liquor. At present therefore the quality of whisky remains the same as that required in England. The analysis of locally made beer has shown it to be possible to brew here a beverage of high quality, which will keep sufficiently long without the use of any preservative."

INDO-CHINA STEAM NAVIGATION COMPANY.

THE ANNUAL MEETING.

The ordinary general meeting was held on June 25th at the offices, 29, Cornhill.

Mr. W. KESWICK, M.P., presided.

The CHAIRMAN expressed regret that the directors had to meet the shareholders with a report much less satisfactory than they could have desired; but everyone who was acquainted with the shipping trade in the Far East would understand the difficulties under which the company had to work, not only from ordinary competition, but from the fact that steamers were excessively subsidized by Governments, and were thereby enabled to maintain their opposition. He regretted that it had been necessary to transfer £30,000 from the underwriting account, and £50,000 from the reserve fund, to meet the charges of the year. The directors proposed to pay the full cumulative dividend due upon the preferred ordinary shares and to carry forward £13,755. They much regretted that they were not in a position to make a distribution upon that occasion upon the deferred ordinary shares. He then, moved the adoption of the report.

Mr. H. BEAZLEY seconded the motion.

Mr. MICHAEL said that he thought it was very much to the company's discredit that there should appear a statement in the certificate of the auditors, Messrs Turquand, Youngs, and Co., to the following effect:—"The revenue account has been charged this year with a reduced amount for depreciation of steamers, and whilst the working accounts have been charged with the premiums of insurance actually paid, they have not been debited with premiums in respect of the company's underwriting account." He considered that the alteration which had been made upon that occasion was a most unsatisfactory one, and they ought to be informed what this sum was as they had been in previous balance-sheets. It was not very creditable to a company like theirs that the auditors should have to make such a statement. He asked that the figures should be disclosed, and, further, that the directors should pledge themselves in the future to set the matter forth clearly in the statement submitted to the shareholders.

Similar views were expressed by Mr. CROSSFIELD and other shareholders, who contended that they ought to have the exact figures placed before them, in order that they might understand the accounts.

The CHAIRMAN, in reply, said that the amount involved was between £25,000 and £30,000. There need not be the slightest anxiety in regard to the matter. With reference to taking any binding instructions from the meeting as to how they would deal with the subject in the future, the directors refused to accept any demand or order, but they would bear the matter thoroughly in mind, and give it sympathetic attention.

Eventually the report was unanimously carried.

The report reads as follows:—

The Board of Directors now submit their report and statement of accounts for the year 1907.

The large number of our shareholders who are familiar with China will know that the characteristic of the year there has been trade depression, in all directions, of almost unprecedented severity. The result has been a heavy falling off in the earnings of all shipping engaged in the Coast trade.

Freight receipts have, therefore, suffered correspondingly, and the Directors have found it necessary to have recourse to the General Reserve Fund and Underwriting Account in order to provide for the depreciation of the fleet (£56,584.12s.) and other requirements. After making these appropriations and meeting all expenses chargeable upon the year, including debenture interest, there remains a balance of £28,632 1s. 5d., out of which it is proposed to pay the full cumulative dividend due upon the preferred ordinary shares and to carry forward the sum of £13,755 7s. 5d.

The debenture issue, authorised by the shareholders, has been duly effected during the year, and £250,000 subscribed.

No additions have been made to the Company's fleet during 1907, and no fresh building contracts have been entered into.

The Directors regret to report the loss of the s.s. "Yik Sang" in January last upon the Islands known as "The Brothers," near Amoy. A portion of this loss will fall upon the underwriting account.

The retiring Directors are Mr. W. Keawick, M.P., and Mr. H. Beazley who, being eligible, offer themselves for re-election.

The Board are informed that Mr. Edward Beauchamp, M.P., will be proposed at the meeting as an additional Director.

Messrs. Turquand, Youngs & Co., the auditors, retire and will be proposed for re-election.

By order of the Board,
A. G. WELLS,
Secretary.

29, Cornhill, London,
BALANCE SHEET AT 31st December, 1907.

LIABILITIES. £ s. d.

To share Capital:—

Authorized £1,200,000, divided into

6 per cent. Cumulative Preferred

Ordinary Shares, and 120,000 De-

ferred Ordinary Shares of £5 each.

Subscribed and paid up—

49,589 Cumulative

Preferred Ordin-

ary £217,945 0 0

49,589 Deferred

Ordinary 247,945 0 0

495,890 0 0

To First Mortgage Debentures:—

First issue of £345,000

Subscribed &

issued £250,000

on which has been paid up at this

date 216,275 0 0

To Balance of Underwriting Account 242,000 13 7

To General Reserve Fund 10,000 0 0

To Sundry Creditors in London & China 78,253 4 10

To Loans 6,500 0 0

To Deposits 38,925 15 9

To Balance from Revenue Account ... 23,632 1 5

£1,114,476 15 7

ASSETS.

By Steamships, Ferry

Boats, &c. 1,962,842 17 6

Less Depreciation

written off for this

year 56,584 12 0

1,906,258 5 6

By Coals and Provision on board Ships

and in Godowns 10,271 2 3

By Office Furniture 58 1 10

By Sundry Debtors in London and

China, Agents' Balances, Freights,

&c. 74,615 16 7

By Cash in London and China 5,922 4 7

By Expenses of De-

benture Issue £18,105 12 0

Less Written off at

the rate of 10 per

cent per annum ... 754 7 11

17,351 4 10

£1,114,476 15 7

REVENUE ACCOUNT.

for the year ending, 31st December, 1907.

Dr.

To General Charges and Telegrams in

London and China, including Dir-

ectors, Trustees and Auditors Fees

To Depreciation Account—

On Steamships, &c. 56,584 12 0

To Income Tax Account 1,913 12 2

To General Interest, &c. 10,805 0 3

To Debenture Interest 5,073 2 7

To Expenses of Debenture Issue,

amount written off 754 7 11

To Balance transferred to Balance

Sheet 23,632 1 5

£107,978 0 9

Cr.

By Balance brought for-

ward from 1906 16,091 19 3

Less Dividend Paid .. 12,397 5 0

3,694 14 3

By Net earnings of Steamers for the

year, and amounts transferred

from the Underwriting Account

(£30,000) and from the General

Reserve Fund 104,226 14 0

To Transfer Fees 56 12 6

£107,978 0 9

Mr. A. H. Todd, who leaves the Colony by the English mail to-day, was entertained by his comrades of the Engineer Volunteer Company to a smoking concert at Headquarters on July 22nd.

COMMERCIAL.

IMPORTS:—

RICE.

HONGKONG, 24th July:—Few demands having come forward the prices are further declining. Quotations are:—

Saigon, Ordinary	\$5.40	to	\$5.45
" Round, Good quality ...	5.15	to	5.20
" Long	5.30	to	5.40
Siam, Field mill cleaned, No. 2 ...	5.05	to	5.10
" Garden, " No. 1 ...	5.55	to	5.60
" White,	6.10	to	6.15
" Fine Cargo	6.40	to	6.45

OPIMUM.

HONGKONG, July 23rd—The movements in the various Opium markets during the past fortnight have been as follows:—

Malwa. Patna. Benares. Persia			
Stocks on the 9th July, 1908 ..	\$53	1,512	891
July 9th Imports per Marmora ..	201	200	177
" 13th " " Lightning ..	—	250	215
" 16th " " Kutang ..	—	125	—
" 20th " " A Behir ..	—	200	—
" 21st " " Laitang ..	—	350	250
Less Exports to Shanghai ..	1,054	2,942	1,356
Exports to East and West Coast Ports including Local Consumption for the fortnight ..	—	275	25
Estimated Stocks this day ..	\$56	2,149	1,045

Bengal.—As stocks both of the dealers here and in the consuming districts had reached a very low figure a very active demand has to be reported and price advanced considerably from the lowest point touched. Patna is quoted at \$1,055 and Benares at \$972½.

Malwa.—The market has not yet opened for the drug of the English mail. The market ruled fairly steady at about previous quotations.

Persian.—The local demand is trifling. Superior drug is quoted at \$870.

HONGKONG, July 23rd.

Quotations are:—

Malwa New	\$920	per picul.
Malwa Old	\$940	do.
Malwa Older	\$970	do.
Malwa Very Old	\$995	do.
Persian Fine Quality	\$800	do.
Persian Extra Fine	\$870	do.
Patna New	\$1055	per chest.
Patna Old	—	do.
Benares New	\$972½	do.
Benares Old	\$—	do.

YARN.

HONGKONG—Mr. P. Eduljee, in his Report dated 24th July, states:—The speculative feeling alluded to in last report, continued throughout the whole of the past fortnight, and again a good business has been done, and a large quantity of yarns have changed hands as noted at foot. There has been only a small business in No. 6s and 8s, the market being bare of stock. No. 10s have, as usual, attracted by far the largest amount of attention and form the bulk of sales. No. 12s and 16s are in moderate demand, but best makes are more saleable and comparatively higher in price than medium and common threads. No. 20s take second place in point of quantity and are in fairly good enquiry for the Northern and Tonkin markets. Prices show an appreciation of 50 cents to \$2 per bale and are steady at the close. Taking into consideration the paucity of stocks, both in first and second hands, restricted supplies, and the high range of values ruling in India, the improvement in prices here is not large, but dealers are acting very cautiously and strenuously stand against any further advance in rates while on the other hand holders are anxious to meet the demand while it lasts. Receipts during the interval are small and with larger

offtakes our estimate of stock shows a substantial decrease on last figures. Bombay is reported strong. The market closes firm. Sales of the interval aggregate 9,983 bales, arrivals amount to 5,851 bales, unsold stock estimated at 18,000, and sold but uncleared stock in second hands at 17,000 bales. Local Manufacture:—There is no change in the continued quietness of the threads. Ja anese Yarn:—Almost neglected. Raw Cotton:—A choice parcel of 200 bales Superfine Bengals has found buyers at \$24 leaving the market bare of Indian staple. There is no China cotton either on the market. Quotations are \$20 to \$24 for Indian, and China \$22 to \$25. Exchange on India after several fluctuations in sympathy with silver closes today at Rs. 135½ for T/T and Rs. 135½ for Post. On Shanghai 74½ and on Japan 88. The under-noted business in imported and local spinnings is reported from Shanghai during the fortnight ended the 11th instant, viz:—Indian:—In good enquiry, sales aggregating about 10,000 bales with an estimated unsold and uncleared stock of 40,000 bales. Japanese:—In fair demand, sales amounting to about 1,700 bales on the basis of Tls. 82½ to 96½ for No. 16s, and Tls. 99½ to 102½ for No. 20s. Local:—Sales of some of the foreign owned mills have been made to the extent of 1,000 bales at hardening rates.

PIECE GOODS

Messrs. Noel, Murray & Co.'s Report on the Shanghai Piece Goods Trade, dated Shanghai, 9th July, 1908, states:—The lists for the collection of these valuable statistics were sent out earlier than usual so it is hoped that the returns will be completed with more promptitude than they were on the last two or three occasions. Taken as a whole the majority of stock holders do send in the returns with commendable celerity, showing their evident desire to have the figures completed as early as possible, but this is frequently frustrated by some firms inadvertently overlooking the fact that the delay in sending in their returns, however small they may be, delays the completions and publication of the whole. Some we know do not agree with the advisability, or utility of collecting and publishing this information, but we venture to think if a little more attention had been paid to figures in the past few years the trade would not have got into the state it is at present in many of its branches. No returns have been published as yet of the piece goods that have been distributed from this port by means of the railway. A very interesting report of the working of the lines recently published animadvertes very severely on the obstructiveness of the Likin system, which is evidently inspired by interested officials, on the freight traffic of the local line. Whereas the passenger returns are above all expectations the earning for the carriage of merchandise is absurdly small and must result in a dead loss on the running, and that means a drain on the Imperial Exchequer, if something is not done to relieve the situation. The railway serves a vast and densely populated area which would derive the greatest benefits from it if it were allowed to run on reasonable lines, free from the monstrous squeeze system which is the great bugbear to trade expansion in this country. From the Trade Reports for the Yangtze Ports for 1907, it is very evident native productions of yarn and cloth are beginning to receive preferential treatment in the country to the detriment of imported foreign goods. It is pointed out elsewhere in the report that the so-called Likin controlled Junks are receiving a considerable amount of preference owing to the privilege they obtain of selling on route instead of at a fixed port. It is worthy of note that the total import of foreign yarn in 1907 was Piculs 354,538 against 42,415 Piculs of native yarn. The week has been productive of very little of interest, the attention of the trade being diverted by the unusual amount of rain that has been falling, with few intervals, throughout the period under review. It being a critical time for the crops news is anxiously awaited as to the effect it has had in the country, and consequently the native dealers have held off from buying almost entirely. Otherwise there is not much change in the situation, though certainly nothing to justify the report the agents of some of the foreign banks in New York are said to have received that the position of our market had greatly improved. We think we are quite safe in saying that none of the import houses here have as yet felt that improvement to any appreciable extent. It is to be hoped, however, that it will have the effect of strengthening the attitude of manufacturers in the United States, for this market is certainly

not in sufficiently good shape to cope with fresh supplies of any extent. Stocks of some goods have undoubtedly been reduced, but not as much as was anticipated they would be a few months ago, and the half yearly returns will show that, without reckoning what may already be on the way, with the depleted off-take the first six months of this year there is quite sufficient here now to supply all that will be needed, unless something quite unforeseen should happen, for the next six months. So far no special complaints have reached here concerning damage caused by the recent heavy rains. The Yangtze is rising rapidly, however, already, where as last year the crops had all been harvested when the floods commenced, so there is good cause for anxiety. On the other hand Tientsin merchants are again complaining of a want of more moisture. The market there, however, is showing a trifle more activity, but the dealers are holding off from buying here in the hope of getting in on more favourable terms, although prices current here are now considerably under replacing cost. Prospects are looking more favourable for the Autumn trade with Corea. Newchwang has perhaps been the most important factor in our market again, though except in yarns her purchases have not been so large. The news received of the situation in Manchuria is certainly not encouraging, but the subject seems to have at last attracted public attention in England so there is a chance of the trading rights of foreign firms out here being properly safeguarded at last. The decline in American cotton on the Liverpool market, in consequence of the more favourable Government report on the condition of the crop, has had a decidedly weakening effect on Manchester, where it is said manufacturers are anxious to book orders, but as there is no object in rushing in to buy in face of the present state of the trade here, and also in India the inclination of operators is to hold off for the present. The quotation for spot Mid-American cotton comes 6.12d. to-day against 6s.43d. yesterday and 5.62d. for "futures." The condition of crop on 25th June was 81.2, as against 83.3 on the same date in 1906 when the crop turned out to be 12,269,000 bales, with slightly less acreage planned Egyptain was quoted to-day 7½d. New York keeps very firm with a small business doing for this at about previous prices. Yesterday's quotations for Cotton came 9.14 cents for Oct. and 8.96 cents for December, while September option comes to-day 9.32 cents. There has been a good general demand for Indian Yarn and prices are improving in view of the moderate stocks now here. Price are higher also for Japanese spinings in sympathy with home prices. Local Yarns continue to meet with a fair share of attention at prices that are gradually firming up. Native cotton is very scarce and fancy prices are now asked for the small supply in stock. Actual business has been very slow during the week and together with clearances much interrupted by the heavy rains. Transactions on the open market have been few and far between. In English goods we hear of small sales of Red 4 Boy 8.4 lbs. Shirtings at Tls. 2.80, Red Butterfly 10 lbs. ditto at Tls. 3.75, Woman B.B. White Shirtings at Tls. 4.75, and that is about all. It is said resales of some 2 to 300 bales English Sheetings have been made to Newchwang dealers at prices that have not been disclosed. In American goods, also, several small parcels have changed hands for that market at about previous prices, there being a rather incongruous difference between the price of sheetings and the same weight of drills, Massachusetts for instance selling at Tls. 4.30 and Tls. 4.80 respectively. At the auctions prices have not been very well maintained, being in fact very irregular throughout, though it is noticeable that the most violent fluctuations have been downwards. Turkey Reds are weaker slightly, Fast Black Cotton Italians do not show very much change on the whole, but the low prices realised greatly interfere with private sellers, who find it extremely difficult to dispose of anything at any way near replacing cost. This state of affairs, however, is not unassisted by some philanthropic firms who are allowing their dealers to clear goods at "market prices" (whatever that may mean), irrespective of the original cost! Naturally others are being urged to follow the same course, but respectfully decline to do so in face of the higher cost of replacing, in the case of many articles. It must not be overlooked however that the shipments last month were ominously heavy in all classes of goods, considering that the expectation was there would be a considerable falling off. It is to be hoped that the favourable rain fall in India will have the effect of stimulating the demand for that country and prevent any whole sale giving way of prices in the home market.

COAL.

HONGKONG, July 24th.—The arrivals since the 8th July amounted to 31,890 tons of Japanese; 4,600 Cardiff, and 5,400 Hongray. The coal expected is 33,200 tons of Japan coal. There have been no sales of any importance in the interval. There has been one small sale of Cardiff and Japanese remains quiet. Quotations according to Messrs. Hughes and Hough's circular are as follows:—

Cardiff.....\$— to \$— ex-ship, nominal.
Australian\$12.00 ex-ship, nominal.
Yubari Lump...\$12.00 ex-ship, nominal.
Miiki Lump ...\$10.50 to \$11.00 ex-ship, nominal.
Moji Lump\$8.00 to \$9.50 ex-ship, steady.
Moji Unscreened \$6.00 to \$8.00 ex-ship, steady.
Akaike Lump ...\$8.75 to \$9.00 ex-ship, sellers.
Labuan Lump ...\$9.25 ex-ship sellers.

HONGKONG PRICES CURRENT.

HONGKONG, 11th July, 1908

COTTON PIECE GOODS—

Grey Shirtings—6lbs. piece \$1.85 to \$2.05
7 lbs. " 2.25 to 2.55
8.4 lbs. " 3.30 to 4.20
10 lbs. " 4.50 to 5.45
White Shirtings—54/56 reed " 3.60 to 4.15
58/60 " " 5.00 to 6.50
64/66 " " 6.80 to 8.00
Fine..... " 9.25
Book-folds " 3.50 to 6.00
Victoria Lawns—12 yards " 6.04 to 2.00
T-Cloths—6 lbs. (32 in.) Ord'y " 2.10 to 2.25
7 lbs. " " 2.30 to 3.75
6 lbs. " " 2.25 to 2.30
7 lbs. " " 2.35 to 4.00
8 to 8.4 oz., 36 in. " 2.90 to 4.00
Drills, English—40 yds., 13½ " 4.50 to 5.50
to 14 lbs. }

FANCY COTTONS—

Turkey Red Shirtings—1½ to } \$1.90 to \$4.25
6 lbs. piece }
Brocades—Dyedyard —
Chinese—Assorted " 0.10 to 0.25
Velvets—Black, 22 in., " 0.26 to 0.55
Velveteens—18 in., " 0.22 to 0.27
Handkerchiefs—Imitation Silk doz. 0.50 to 1.10

WOOLLENS—

Spanish Stripes—Sundry chopsyard \$0.70 to \$2.00
German, " —
Habit, Medium & Broad Cloths, " 1.50 to 3.20
Long Ells—Scarlet, 7-9 lbs. piece 7.75 to 9.00
Assorted..... " 7.90 to 9.15
Camlets—Assorted " 9.50 to 31.00
Lastings—30 yds. 31 inches } 13.00 to 20.00
Assorted..... }
Orleans—Plain..... " 10.00 to 11.00
Blankets—8 to 12 lbs. 0.60 to 0.85

RAW COTTON—

Bombaypicul \$19.50 to \$21.50
Bengal (New), Rangoon, " —
and Dacca..... " 21.50 to 24.50
Shanghai and Japanese... " 25.50 to 26.50
Tungchow and Ningpo " 25.50 to 26.50

METALS—

Iron—Nail Rod.....picul \$4.12½
Square, Flat, Round Bar (Eng.)... " 4.07½
Swedish Bar " 4.20
Small Round Rod " 4.65
Hoop, ½ to 1½ in., " 5.75
Wire, 16/25 oz., " 9.50
Old Wire Rope..... " 3.00
Lead—L. B. & Co. and Hole Chop " —
Australian " 8.60
Yellow Metal—Muntz 14/28 oz. " 38.50
Vivian's, 16/32 oz., " 38.50
Elliot's, 16/28 oz " 38.50
Tin, " 86.00
Tin-Plates, box 7.90
Steel cwt. case —

MISCELLANEOUS—

Quicksilver,picul 151.00
Window Glass, box 4.25
Kerosene Oil, case —
Saltpetre, No. 1picul \$11.00 to 11.85
Do. No. 2 " 10.80 to 10.90
Do. No. 3 " 9.70 to 10.30

WHEATEN FLOUR—

Dayton, per bag of 50 lbs.gross \$2.20
Crown " 3.00
Crescent " 2.05

EXPORTS:—

TEA.

HANKOW, July 8th.—Business reported since the 2nd inst., is as under:—

	1908.	1907.
	½-Chests.	½-Chests.
Settlements ...	15,711	40,331

Consisting of the following Teas:—

	½-Chests.	per picul
Ningchows.....	1,130 at Tls. 16.00	at 45.50
Oopacks.....	832 " "	15.10 " 17.25
Oonams.....	2,861 " "	13.50 " 18.00
Oofaas.....	4,565 " "	13.30 " 17.25
Seang-tams.....	3,167 " "	12.50 " 15.10
Ichangs.....	1,156 " "	— " 47.00

The following are Statistics at date compared with the corresponding statement of last season, viz, 26th June, 1907:—

	1908.	1907.
	½-Chests.	½-Chests.
HANKOW TEA		
Settlements ...	440,893	877,659
Stock ...	22,883	14,924
Arrivals ...	463,776	892,988

	1908.	1907.
	½-Chests.	½-Chests.
KIUKIANG TEA.		
Settlements ...	170,375	171,436
Stock ...	24,635	15,768
Arrivals ...	195,010	187,204

Comparative Quotations per picul are as under:—

	1908.	1907.
Ningchow Tls. 15.50 at 100.00	Tls. 17.75 at 100.00	
Khemuns " 21.00 " 67.00	" 18.50 " 71.00	
Hohow " 19.00 " 24.50	" — " —	
Kutsons.. " 25.50 " 27.00	" 21.50 " 25.50	
Wenchow " 19.50 " 21.00	" — " —	
Oopack " 13.50 " 26.00	" 12.90 " 27.00	
Oonam " 13.50 " 28.00	" 12.00 " 28.00	
Oonfaa " 13.30 " 36.00	" 16.00 " 35.50	
Seangtam " 12.50 " 18.50	" 12.30 " 17.30	
Ichangs.. " 31.50 " 65.00	" 26.00 " 69.00	

Hankow Tea Kiukiang.
Season 1908-1909...lbs. 5,800,785...lbs. 8,855,585
" 1907-1908... " 6,784,036... " 4,421,877
" 1906-1907... " 5,759,199... " 4,055,932

The export to 4th instant, as per Customs Returns stands thus:

	1908/9	1907/8	1908/7
Via Shanghai,			
	lbs.	lbs.	lbs.
To Great Britain.....	1,419,229	1,962,506	2,340,761
" U. S. & Canada ...	3,923,281	2,760,902	1,588,769
" Continent	2,056,837	1,755,241	1,386,885
" Russia via North..	1,299	8,320	—
" Russia in Europe,	519,680	3,218,510	1,478,507
" Shanghai.....	1,584,648	628,200	2,010,264
Direct, 1908,			
U. S.	198,864	lbs.	
Gr. Britain	3,886,720	"	
Continent	386,149	"	
Russia in Europe...	2,611,115	"	
Russia in Asia ...	11,062,388	"	

Direct, 1907, Russia in Asia
s.s. " Hermann Loocha " 3,345,906 lbs.
s.s. " Varg " 1,114,433 "

CAMPHOR.

HONGKONG, July 24th. — The position of the market remains unchanged. Quotations are \$85.00 to \$88.00.

MISCELLANEOUS EXPORTS

Per M. M. steamer Caledonien, sailed on 21st July. For Marseilles:—5 caisses soier es, 23 caisses plumes, 9 caisses ilang ilang, 6 caisses chapeaux, 147 balles soie, 150 balles déchets de soie, 6 balles cheveux. For Lyon:—287 balles soie. For Harve:—3 petit colis thé. For Milan:—30 balles soie. For St. Chamond:—46 balles soie. For Tamatave:—22 colis provisions. For Londres:—10 caisses opium. For Constantinople:—72 colis thé. For Cairo:—10 balles déchets de soie.

HAKKOW, July 8th.—The prices quoted are for the net shipping weight excluding cost of packing for export:—

	Per picul
Cowhides, Best selected	Tls. 30.50
Do. Seconds	" 27.00
Buffalo hides, Best selected	" 22.50
Goatskins, untanned, chiefly white colour,	" —
Buffalo Horns, average 3 lbs. each	" —
White China Grass, Wuchang and/or Poochi	" 9.50
White China Grass, Sinshan and/or Chayu	" 8.50
Green China Grass, Szechuen	" 7.70
Jute	" 3.50
White Vegetable Tallow, Kinchow	" 10.40
White Vegetable Tallow, Pingchew and/or Macheng	" 10.30
White Vegetable Tallow, Mongyu	" 9.50
Green Vegetable Tallow, Kiyu	" 9.60
Animal Tallow	" 10.30
Gallnuts, usual shape	" 15.25
Gallnuts, plum do.	" 18.00
Tobacco, Tingchow	" —
Tobacco, Woukang	" —
Feathers, grey and/or white Wild Duck	" —
Turmeric	" —
Sesamum Seed	" 5.65
Sesamum Seed Oil	" —
Wood Oil	" 8.60
Tea Oil	" —

HONGKONG SHARE QUOTATIONS.

HONGKONG, 24th July, 1908.—Business generally still continues dull, and beyond a further advance in Banks we have little of interest to report. Bar silver during the interval has weakened, and is now quoted at 24½ d. with exchange on London at 1/9½ T. T., and on Shanghai at 7½ T. T.

BANKS.—Hongkong and Shanghai after further sales at \$750, advanced rapidly to \$760, \$765, and at the close to \$775 at which a sale is now reported. London is firmer again with buyers of London register shares at £80.10.0d. the equivalent of \$898 per share at present exchange. Nationals are unchanged with buyers at \$61.

MARINE INSURANCES.—No business has transpired in this section, and the only change we have to report is a decline in Cantons to \$220 sellers. There are buyers of North Chinas at Tls. 77.

FIRE INSURANCES.—Chinas have been booked at \$90½, and are in further request. There are sellers of Hongkongs at \$315.

SHIPPING.—Hongkong, Canton and Macao are obtainable at \$29 after sales at the rate. Indos are still on offer, the Preferred shares at \$36 ex the dividend of 6 per cent. = 6s. per share, for 1907, at exchange 1s. 9½ d. = \$3.154 paid in Hongkong to-day, and the Deferred at \$21. China and Manilas and Douglasses are unchanged and without business. Star Ferries (old) can be placed at the improved rate of \$26, but the new issue is still to be had at \$15. Shells are quoted at 45s. cum the dividend of 2s. per share (final of 1s., coupon No. 10, for 1907), and interim of 1s. per share, on account of 1908, paid in London on the 1st July.

REFINERIES.—No business to report, and quotations without change.

MINING.—Raubs have been done at \$7, and there are further buyers. Charbonnages continue in firm request at \$580.

DOCKS, WHARVES AND GODOWNS.—Hongkong and Whampoa Docks are firm at \$103. Hongkong and Kowloon Wharves have been done at \$47½ and close steady. Shanghai Docks have improved considerably, and sales up to T's. 85 have been reported, but this is the market close with sellers both locally and in the north. Shanghai and Hongkew Wharves have further

declined, and are now quoted at Tls. 202½ sellers.

LANDS, HOTELS AND BUILDINGS.—Hongkong Lands have been booked at \$97½, and more shares can be placed. There is no business to report in other stocks under this head which close without change.

COTTON MILLS.—Ewos have improved to Tls 63, but otherwise quotations are without change. Hongkongs continue quiet at \$11.

MISCELLANEOUS.—There are buyers of Steam Laundries at \$5½. Dairy Farms at \$19. China Providents at \$9½, and Electrics at \$16½. Cements are obtainable at \$10½. China Borneos at \$16½. Ropes at \$24 after sales at the rate, and Watsons at \$9½.

Quotations are as follows:—

COMPANY.	PAID UP.	QUOTATIONS.
Alhambra	Pa. 200	Nominal
Banks—		
Hongkong & S'hai	\$125	\$775
National B. of China	£8	£51, buyers
Bell's Asbestos E. A.	12s. 6d.	\$7½, sellers
China-Borneo Co.	\$12	\$10½, sellers
China Light & P. Co.	{ \$10 } { \$1 }	{ \$6½, sellers \$9½, buyers
China Provident	\$10	\$9½, buyers
Cotton Mills—		
Ewo	Tls. 50	Tls. 63
Hongkong	\$10	\$11
International	Tls. 75	Tls. 67
Laou Kung Mow	Tls. 100	Tls. 85
Soychee	Tls. 500	Tls. 242½
Dairy Farm	\$8	\$19½, buyers
Docks & Wharves—		
H. & K. Wharf & G.	\$50	\$47½, sales
H. & W. Dock	\$50	\$103
New Amoy Dock	\$6½	\$9½, sellers
Shanghai Dock and Eng. Co., Ltd.	Tls. 100	Tls. 85
S'hai & H. Wharf	Tls. 100	Tls. 202½
Fenwick & Co., Geo.	\$25	\$12, sellers
G. Island Cement	\$10	\$10½, sellers
Hongkong & C. Gas	\$10	\$185
Hongkong Electric	\$10	\$16½, buyers
Hongkong Hotel Co.	\$50	\$38, sellers
Hongkong Ice Co.	\$25	\$230, buyers
H. K. Milling Co., Ltd.	\$100	Nominal
Hongkong Rope Co.	\$10	\$24, sales & sellers
Insurances—		
Canton	\$50	\$220, sellers
China Fire	\$20	\$92½, sales & buy.
China Traders	\$25	\$86½, buyers
Hongkong Fire	\$50	\$315, sellers
North China	\$25	Tls. 78, sellers
Union	\$100	\$785, sellers
Yangtze	\$60	\$155, buyers
Land and Buildings—		
H'kong Land Invest.	\$100	\$97½, sales & buy.
Humphrey's Estate	\$10	\$10
Kowloon Land & B.	\$30	\$26, buyers
Shanghai Land	Tls. 50	Tls. 122
West Point Building	\$50	\$48, sellers
Mining—		
Charbonnages	Fcs. 250	\$580, buyers
Raubs	18/10	\$7, sales
Peak Tramways	{ \$10 } { \$1 }	{ \$14 \$2, sellers
Philippine Co.	\$10	\$8, sellers
Refineries—		
China Sugar	\$100	\$130, sellers
Luzon Sugar	\$100	\$22
Steamship Companies		
China and Manila	\$25	\$15, sellers
Douglas Steamship	\$50	\$38
H., Canton & M.	\$15	\$29, sales & sel.
Indo-China S. N. Co.	\$25	\$31, sellers
Shell Transport Co.	\$1	45/- cure div.
Star Ferry	\$10	\$25½, buyers
Do. New	\$5	\$15, sellers
South China M. Post.	\$25	\$23
Steam Laundry Co.	\$5	\$5½
Stores & Dispensaries.		
Campbell, M. & Co.	\$10	\$10
Powell & Co., Wm.	\$10	\$5½
Watkins	\$10	\$3
Watson & Co., A. S.	\$10	\$9½, sales
Wiesmann Ltd.	\$100	\$150, buyers
United Asbestos	\$4	\$13, buyers
Do. Founders	\$0	\$240, buyers
Union Waterboat Co.	\$10	\$10½, buyers

VERNON & SMYTH, Brokers.

SHANGHAI SHARE QUOTATIONS.

16th July, 1908.

COMPANY.	PAID UP.	QUOTATION.
Banks:—		
Hongkong & S'hai	\$125	\$770, buyers
National of China	£8	\$51, buyers
Russo-Chinese	{ R187½ } { T125 }	{ Tls. 175, sellers
Insurance:—		
Union Society C'ton	\$100	\$780, sellers
North-China	£5	Tls. 77, buyers
Yangtze Assocn.	\$60	\$160, buyers
Canton	\$50	\$230, sales
Hongkong Fire	\$50	\$812½, buyers
China Fire	\$20	\$92, sales
Shipping:—		
Indo-China { pref. } { def. }	{ £10 }	{ Tls. 29½, buyers Tls. 14½, buyers
Shell Trans. { ord. }	{ £1 }	{ \$22.50, sellers \$29.10, sellers
S'hai Tug & { pref. }	{ 10 }	{ Tls. 45, buyers Tls. 52, buyers
Lighter { pref. }	{ T50 }	{ Tls. 48, sales
Taku Tug & Lighter	T50	Tls. 50, sales
Kochien Transportation & Tow Boat	T50	Tls. 50, sales
Docks & Wharves:—		
S'hai Dock & Eng.	T100	Tls. 79, buyers
H. & W. Dock	\$50	\$104, sellers
S. & H'kew Wharf	T100	Tls. 212½, sellers
H. K'loon W. & G.	\$50	\$51, sales
Yangtze	T100	Tls. 217½, sales
Sugar Companies:—		
Perak Cultivation	T50	Tls. 95, sellers
China Refining	\$100	\$132½, sellers
Mining:—		
Raub Australian	{ £1 }	{ \$8, sellers
Chinese Eng. & Min.	{ 18/10 }	{ Tls. 15½, sellers
Lands:—		
S'hai Investment	T50	Tls. 122, buyers
H'kong Investment	\$100	\$99, sellers
Humphreys' Estate	\$10	\$104, sales
Weihaiwei	T25	\$9, sellers
China	T50	Tls. 50, sellers
Anglo-French	T100	Tls. 101, sellers
Cotton:—		
Ewo	T50	Tls. 60, sellers
International	T75	Tls. 67½, sellers
Laou Kung Mow	T100	Tls. 85, sellers
Soy Chee	T500	Tls. 242½, sellers
H'kong C. S. W. D.	\$10	\$9, buyers
Industrial:—		
Shanghai Gas	T50	Tls. 116, sellers
Major Brothers	T50	Tls. 55, buyers
Shanghai Ice	T25	Tls. 14, sales
China Flour Mill	T50	Tls. 53, sellers
S'hai Pulp & Paper	T100	Tls. 48, buyers
Green Is. Cement	\$10	\$104, sellers
Maatschappij, &c., in Langkat	Gs. 100	Tls. 525, buyers
Shanghai - Sumatra Tobacco	T20	Tls. 93, sellers
S'hai Waterworks	£20	Tls. 400, sales
Anglo-Ger. Brewery	100	\$85, buyers
A. Butler Cement, Tile Works	50	\$35, sales
Kalumpang Rubber	50	Tls. 55, sellers
Eastern Fibre	10	nominal
Shanghai Electric Construction	£10	£10, buyers
Miscellaneous:—		
Hall & Holtz	\$20	\$194, buyers
A. Llewellyn	\$60	\$43, buyers
A. S. Watson & Co.	\$10	\$11½, sellers
Central Ordinary	\$15	\$124, sellers
Central Founders	\$15	\$400, buyers
S. Moutrie & Co.	\$50	\$47, ex div.
Weeks & Co.	\$20	\$214, buyers
Astor House Hotel	\$25	\$19, sellers
Hongkong Hotel	\$50	\$98, sellers
Hotel des Colonies	T12.50	Tls. 7½, sellers
Tsingtao Hotel	\$100	nominal
Lane, Crawford & Co.	100	\$150, sellers
Dunning & Co.	50	\$47½, sales
S'hai Horse Bazaar	T50	Tls. 45, sellers
S'hai Mercury	T50	Tls. 50, sellers
S'hai Mutual Tele.	T50	Tls. 56, sellers
China Im. & Ex. Lumber	T100	Tls. 85, sellers
Shanghai Electric & Asbestos	\$25	\$23, sellers
Dallas Horse Repository	T50	Tls. 25, sellers
China Printing Co.	T50	Tls. 50, sellers

J. P. BISSET & Co.

Messrs. J. P. Bisset & Co.'s Share Report for the week ending 16th July, states:—Our market since our last has been on the whole very quiet and there is nothing of particular importance to report in this week's business, beyond the slight decline in Shanghai and Hongkew Wharf shares Banks.—Hongkong and Shanghai Banks. A transaction is reported on the 10th instant, at \$770. Since our last the results for the half-year are telegraphed from the Head Office, as follows: Dividend £2.0.0. Added to Silver Reserve \$5 lacs. Carried Forward to next half year \$20 lacs. Written off premises Account \$250,000. Industrial.—There is no business reported. Shipping.—There is no business reported. Docks and Wharves.—Shanghai Dock and Engineering Co., Ltd. There is nothing reported but the price remains at Tls. 79. Shanghai and Hongkew Wharves. A transaction is reported on the 13th at Tls. 217½ for September. Since then a fair number of cash shares came out for sale and rates declined to Tls. 212½ and Tls. 211. At the close there are buyers for September at T's. 215. Sugars.—Nothing reported. Mining.—A sale of a small lot of London scrip is reported at Tls. 15 for cash. Lands.—Shanghai Land Investment Co. The market has been quiet, closing with buyers at Tls. 122. Anglo-French Lands remain at Tls. 101. Industrial.—Ewo Cottons have had a strong market during the week and shares have changed hands at Tls. 60 for cash and Tls. 62 for October. Laou Kung Mow. There has been some demand for these shares for September and transactions are reported at Tls. 86 and Tls. 86½. Shanghai Gas Co. Shares have improved to Tls. 115 at which rate there are buyers. Shanghai Ice Co. A small lot of shares was sold at Tls. 14 and there are further sellers. Shanghai Pulp and Paper Co. shares have been dealt in at Tls. 48. Maatschappij, &c., in Langkats. Not a single transaction is reported in this stock this week. Prices remain steady at Tls. 522½ for cash and Tls. 537½ for September. Shanghai Sumatra Tobacco Co. At the beginning of the week there was a considerable demand and rates were rapidly carried from Tls. 87½ to Tls. 93 for cash and from Tls. 90 to Tls. 95 for September, but as steadily became slack, and there are sellers at these rates and possibly a little under. Shanghai Electric Construction Co. Shares have changed hands at £10 for bearer scrip with Exchange 2/5. Miscellaneous.—Only very small lots have been dealt in and rates remain as appended below. Loans and Debentures.—Shanghai Municipal Debentures have buyers at Tls. 103½. With the exception of Astor House 7 per cent debts. which have been dealt in at Tls. 102½, all other Debentures are in demand at 101.

EXCHANGE.

HONGKONG, July 24th.

ON LONDON.—	
Telegraphic Transfer	1/9½
Bank Bills, on demand	1/9½
Bank Bills, at 30 days' sight	1/9½
Bank Bills at 4 months' sight	1/9½
Credits, at 4 months' sight	1/9½
Documentary Bills, 4 months' sight	1/8½
ON PARIS.—	
Bank Bills, on demand	225½
Credits 4 months' sight	230
ON GERMANY.—	
On demand	183
ON NEW YORK.—	
Bank Bills, on demand	43½
Credits, 60 days' sight	44½
ON BOMBAY.—	
Telegraphic Transfer	135½
Bank, on demand	135½
ON CALCUTTA.—Telegraphic Transfer	
Bank on demand	135½
ON SHANGHAI.—Bank, at sight	
Private, 30 days' sight	74½
ON YOKOHAMA.—On demand	
ON MANILA.—On demand	
ON SINGAPORE.—On demand	
ON BATAVIA.—On demand	
ON HAIPHONG.—On demand	
ON SAIGON.—On demand	
ON BANGKOK.—On demand	
SVB SIGNS, Bank's Buying Rate	\$10.95
GOLD LEAF 100 fine, per tael	\$57.70
BAR SILVER, per oz.	24½

SUBSIDIARY COINS.

		per cent.	
Chinese	20 cents pieces	\$9.00	discount.
"	10 "	9.40	"
Hongkong	20 "	8.65	"
"	10 "	8.70	"

TONNAGE.

HONGKONG 24th July.—There has only been a limited inquiry for tonnage during the past fortnight, and rates are lower all round. From Saigon to this 13 cents last and no further steamers wanted at present; to Singapore, 14 cents and 13 cents per picul have been paid; to Philippines, 1 fixture reported at 20 cents per picul; to Kobe, 21 cents has been accepted for a medium sized carrier; to Java, 22 cents last. From Java to Hongkong and Japan, no demand. From Bangkok to this, 25/18 cents nominal. From Newchwang to Canton, 20 cents last. From South Japan Coal port to Hongkong, \$2 25 per ton. The following are the settlements:—

Kueiyang—British steamer, 1,044 tons, Newchwang, Tairen and Chefoo to Canton, 20 cents per picul.

Tjilivong—Dutch steamer, 3,052 tons, Moji to Hongkong, \$1.30 per ton.

Oceano—British steamer, 1,739 tons, Pulo Laut to Kohsichang, \$2.25 per ton.

Spir—Norwegian steamer, 870 tons, Labuan to Swatow, \$2.15 per ton.

Victoria—Swedish steamer, 1,181 tons, Bangkok to Hongkong, 25/18 cents per picul (Liners terms.)

Proteus—Norwegian steamer, 1,024 tons, Saigon to Hongkong, 14 cents per picul.

Haldia—Norwegian steamer, 1,065 tons, Saigon to Hongkong, \$5,000 lump sum.

Quinta—German steamer, 987 tons, Saigon to Hongkong or Singapore, 14 cents per picul.

Loyal—German steamer, 1,237 tons, Saigon to Singapore, \$4,300 lump sum.

Skrumstad—Norwegian steamer, 863 tons, Saigon to 1 port Philippines (28,000), 20 cents per picul.

Childar—Norwegian steamer, 1,102 tons, Saigon to Kobe, 21 cents per picul.

Quinta—German steamer, 987 tons, Saigon to 1 port North Coast Java, 20 cents per picul (Aug.)

Drufar—Norwegian steamer, 1,102 tons, Hongkong to Singapore, \$4,000 lump sum.

Gilbrtt—French steamer, 558 tons, monthly, 3/3 months, at \$2,900 per month.

FREIGHTS.

From Hankow per Conference Steamers.—To London and Northern Continental ports 45/- per ton of 40 c. ft. plus river freight. To Genoa, Marseilles or Havre 45/- per ton of 40 c. ft. plus river freight. To New York (via Suez) General Cargo 30/- per ton of 40 c. ft. plus river freight. To New York (via Suez), Tea 37/6 per ten of 40 c. ft. plus river freight. To New York (Overland) per carload, Tea G. \$1½ cents per lb gross; less than carload Tea G. \$1½ cents per lb gross plus river freight. To Shanghai.—Tea and General Cargo, Tls. 1.60 to 1.80 per ton, weight or measurement.

SHIPPING.

ARRIVALS AND DEPARTURES SINCE LAST MAIL.

July—	
16, Sabine Rickmers, Dut. str., from Tamsui.	
17, Choshun Maru, Jap. str., from Shanghai.	
17, Empire, British str., from Kobe.	
17, Glenroy, British str., from London.	
17, Kageshima Maru, Jap. str., from S'pore.	
17, Mausang, British str., from Sandakan.	
17, Signal, German str., from Saigon.	
17, Standard, Norw. str., from Singapore.	
17, Suruga, British str., from Koolung.	
17, Taming, British str., from Manila.	
18, Benledi, British str., from Kuchinotzu.	
18, Chipshing, British str., from Tientsin.	
18, Chiyuen, Chinese str., from Shanghai.	
18, Hailan, French str., from Hoihow.	
18, Shoshu Maru, Jap. str., from Tamsui.	
19, Amara, British str., from Hongay.	
19, Asia, British str., from San Francisco.	
19, Bangkok, German str., from Bangkok.	
19, Caledonien, French str., from Yokohama.	
19, Haimun, British str., from Coast Ports.	
19, Hongkong Maru, Jap. str., from Y'hama.	
19, Linan, British str., from Haiphong.	
19, Mathilde, German str., from Haiphong.	
20, Armand Behic, Fr. str., from Marseilles.	
20, Erroll, British str., from Liverpool.	
20, Hongmoh, British str., from Penang.	
20, Laisang, British str., from Calcutta.	
20, Rajaburi, German str., from Bangkok.	
20, Sado Maru, Japanese str., from Japan.	
20, Samsen, German str., from Bangkok.	
20, Socotra, British str., from Yokohama.	
20, Tjibodas, Dutch str., from Moji.	
20, Yesan Maru, Japanese str., from Moji.	

20, Yuensang, British str., from Manila.
20, Zafiro, British str., from Manila.
21, Amiral Exelmans, Fr. str., from S'pore.
21, Benleuch, British str., from London.
21, C. Diederichsen, Ger. str., from Haiphong.
21, Deucalion, British str., from Singapore.
21, Leungchow, Brit. str., from Newchwang.
21, Numantia, German str., from Portland.
21, Wingsang, British str., from Wuhu.
22, Delta, British str., from Bombay.
22, Haiching, British str., from Coast Ports.
22, Hongkong, French str., from Haiphong.
22, Shaohsing, British str., from Shanghai.
22, Silvia, German str., from Hamburg.
22, Telemachus, British str., from Saigon.
23, Awa Maru, Jap. str., from Singapore.
23, Helene, German str., from Swatow.
23, Joshin Maru, Japanese str., from Tamsui.
23, Keongwai, German str., from Bangkok.
23, Taiwan, British str., from Bangkok.
23, P. Sigismund, German str., from Sydney.

July—

DEPARTURES.

17, Carnarvonshire, Br. str., for Kohsichang.
17, Choysang, British str., for Swatow.
17, Haitan, British str., for Coast Ports.
17, Johanne, German str., for Swatow.
17, Kweilin, British str., for Shanghai.
17, Loongsang, British str., for Manila.
17, Luohow, British str., for Ningpo.
17, Moyane, British str., for Singapore.
17, Orange Branch, British str., for Moji.
17, Progress, German str., for Kobe.
17, Proteus, Norw.-gian str., for Saigon.
17, Queen Olga, Brit. str., for Ocean Island.
17, Scharnhorst, German str., for Shanghai.
17, Sheikh, British str., for Sourabaya.
17, Siria, British str., for Shanghai.
17, Titan, British str., for Manila.
17, Tjimahi, Dutch str., for Batavia.
17, Tjipanas, Dutch str., for Moji.
18, Amigo, German str., for Hoihow.
18, Chowtai, German str., for Bangkok.
18, Kageshima Maru, Jap. str., for Shanghai.
18, Kutsarg, British str., for Shanghai.
18, Kwanglee, Chinese str., for Shanghai.
18, Loyal, German str., for Saigon.
18, Manchuria, Amer. str., for San Francisco.
18, Oceano, British str., for Pulo Laut.
18, Rubi, British str., for Manila.
18, Sabine Rickmers, Dut. str., for Palambang.
18, Singan, British str., for Hoihow.
18, Solstad, Norwegian str., for Haiphong.
19, Benledi, British str., for Amoy.
19, Chingtu, British str., for Kobe.
19, Chowfa, German str., for Bangkok.
19, Daijin Maru, Japanese str., for Swatow.
19, Devawongse, German str., for Swatow.
19, Glenroy, British str., for Shanghai.
19, Haldia, Norwegian str., for Saigon.
19, Onsang, British str., for Weihaiwei.
19, Silesia, Austrian str., for Shanghai.
19, Suruga, Br. str., for Manila & New York.
20, Armand Behic, French str., for Shanghai.
20, Fri, Norwegian str., for Saigon.
20, Helene, German str., for Swatow.
21, Caledonien, French str., for Europe, &c.
21, Chingwo, British str., for Saigon.
21, Choising, German str., for Swatow.
21, Choshun Maru, Jap. str., for Swatow.
21, Empire, British str., for Australian Ports.
21, Frithjof, Norwegian str., for Saigon.
21, Hailan, French str., for Hoihow.
21, Haimun, British str., for Coast Ports.
21, Lightning, British str., for Singapore.
21, Mortlake, British str., for Wakamatsu.
21, Nippon Maru, Jap. str., for Yokohama.
21, Shinano Maru, Jap. str., for Seattle, &c.
21, Socotra, British str., for Singapore.
21, Taming, British str., for Manila.
21, Tientsin, British str., for Swatow.
22, Chinkiang, British str., for Foochow.
22, Deucalion, British str., for Shanghai.
22, Erroll, British str., for Shanghai.
22, Foochow, British str., for Chinkiang.
22, Kikiang, British str., for Shanghai.
22, Mathilde, German str., for Hoihow.
22, Meefoo, Chinese str., for Shanghai.
22, Sado Maru, Japanese str., for Singapore.
22, Shoshu Maru, Japanese str., for Swatow.
22, Yesan Maru, Jap. str., for Sourabaya.
23, Amiral Exelmans, Fr. str., for Shanghai.
23, Benleuch, British str., for Nagasaki.

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